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EXPANSION OF DONABLE PROPERTY PROGRAM

HEARINGS
BEFORE A
SPECIAL SUBCOMMITTEE OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
UNITED STATES SENATE

EIGHTY-SIXTH CONGRESS

FIRST SESSION

ON

S. 155, S. 1018, S. 1210, S. 1365, S. 1766, S. 2103, S. 2043,
S. 2198, S. 2244, S. 2270, S. 2367, S. 2442

JULY 29, 30, AND AUGUST 10, 1959

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EXPANSION OF DONABLE PROPERTY PROGRAM

WEDNESDAY, JULY 29, 1959

U.S. SENATE,
SPECIAL SUBCOMMITTEE OF THE
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The special subcommittee met, pursuant to call at 10:30 a.m., in room 3302, New Senate Office Building, Senator Ernest Gruening (chairman of the subcommittee) presiding.

President: Senators Gruening and Muskie.

Also present: Walter L. Reynolds, chief clerk and staff director; Ann M. Grickis, assistant chief clerk; Glenn K. Shriner, professional staff member.

Senator GRUENING. The meeting will please come to order.

On June 18, 1959, the chairman of the Committee on Government Operations appointed a special subcommittee to consider a number of bills providing for amendment of the Federal Property and Administrative Services Act of 1949, and asked me to serve as chairman for the purpose of holding hearings.

As of this moment, there are 12 bills before this subcommittee proposing a change in the law so as to authorize the donation of Government surplus to a number of additional using activities. These bills provide for donating surplus property to: (1) tax supported and publicly owned libraries;¹ (2) agencies engaged in cooperative agricultural extension work;² (3) to volunteer firefighting organizations;³ (4) to certain welfare agencies;⁴ (5) to public recreation agencies;⁵ (6) for the promotion of fish and wildlife activities;⁶ (7) to the New Mexico Boys' Ranch;⁷ (8) to Indian tribes;⁸ (9) to take property outside of the United States for health and educational use;⁹ and (10) to authorize the disposal of surplus personal property to the government of Alaska.¹⁰

I understand that the Committee on Government Operations or a duly authorized subcommittee thereof has received numerous requests for broadening the donation provisions of the property act, and have held hearings on such proposals in 1949, 1954, and 1956. The committee again reviewed the program in 1958, and concluded that if additional donees were made eligible, there would not be

¹ S. 155, p. 2.

² S. 1018, p. 2.

³ S. 1210, p. 4.

⁴ S. 1365, p. 5.

⁵ S. 1766, p. 5; S. 2367, p. 8.

⁶ S. 2103, p. 6; S. 2270, p. 7.

⁷ S. 2043, p. 6.

⁸ S. 2244, p. 7.

⁹ S. 2198, p. 7.

¹⁰ S. 2442, p. 8.

enough property available to meet the minimum needs of education, health, and civil defense activities.

As most of you know, this program has been in existence for a long time and has accomplished a great deal of good in our crowded schools, and colleges, during the postwar period; for this reason I shall not attempt to prolong this discussion by reviewing the legislative background of the program. A résumé of the surplus property donation program has already been prepared and is contained in a number of memorandums which were prepared by the staff.

At this time, I shall insert in the record a copy of each bill before this special subcommittee, together with a memorandum dated July 27, 1959, and staff memorandums Nos. 85-1-16, 86-1-23, 86-1-25, and 86-1-42.

(The bills and staff memorandums referred to follow:)

[S. 155, 86th Cong., 1st sess.]

A BILL To amend the Federal Property and Administrative Services Act of 1949 so as to permit donations of surplus property to libraries which are tax supported or publicly owned and operated

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of subsection (j) of section 203 of the Federal Property and Adniniistrative Services Act of 1949 is amended by inserting immediately after "public health," the following: "public information".

(b) Paragraph (3) of such subsection is amended (1) by striking out "or public health" wherever it appears in such paragraph and inserting in lieu thereof ", public health, or public information", (2) by striking out "and (B)" and inserting in lieu thereof "(B)", and (3) by inserting immediately before the period at the end of the first sentence of such paragraph the following: ", and (C) libraries which are tax supported or publicly owned and operated".

[S. 1018, 86th Cong., 1st sess.]

A BILL To authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203(j) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)) is amended to read as follows:

"(j) (1) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to donate without cost (except for costs of care and handling) for use in any State for any of the purposes specified hereinafter any equipment, material, books, or other supplies (including those capitalized in a working capital or similar fund) under the control of any executive agency which has been determined to be surplus property and, in accordance with the provisions of this subsection, to be usable and necessary for such purpose. Donations under this subsection may be made for purposes of—

- "(A) education;
- "(B) public health;
- "(C) civil defense;
- "(D) cooperative agricultural extension work; and
- "(E) research for any such purpose.

"(2) In determining whether property is to be donated under this subsection, no distinction shall be made between property capitalized in a working-capital fund established under section 405 of the National Security Act of 1947, as amended, or any similar fund, and any other property. No such property shall be transferred for use within any State except to the State agency designated under State law for the purpose of distributing, in conformity with the provisions of this subsection, all property allocated under this subsection for use within such State.

"(3) In the case of surplus property under the control of the Department of Defense, the Secretary of Defense shall determine whether such property is usable and necessary for educational activities which are of special interest to the armed services, such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools. If such Secretary shall determine that such property is usable and necessary for such purposes, he shall allocate it for transfer by the Administrator to the appropriate State agency for distribution to such educational activities. If he shall determine that such property is not usable and necessary for such purposes, it may be disposed of in accordance with paragraph (4), (5), or (6) of this subsection.

"(4) Determination whether such surplus property (except surplus property allocated in conformity with paragraph (3) of this subsection) is usable and necessary for purposes of education or public health, or for research for any such purpose, in any State shall be made by the Secretary of Health, Education, and Welfare, who shall allocate such property on the basis of needs and utilization for transfer by the Administrator to such State agency for distribution to (A) tax-supported medical institutions, hospitals, clinics, health centers, school systems, schools, colleges, and universities, and (B) other nonprofit medical institutions, hospitals, clinics, health centers, schools, colleges, and universities which are exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954. No such property shall be transferred to any State agency until the Secretary of Health, Education, and Welfare has received, from such State agency, a certification that such property is usable and needed for educational or public health purposes in the State, and until the Secretary has determined that such State agency has conformed to minimum standards of operation prescribed by the Secretary for the disposal of surplus property.

"(5) Determination whether such surplus property (except surplus property allocated in conformity with paragraph (3) of this subsection) is usable and necessary for civil defense purposes, including research, in any State shall be made by the Federal Civil Defense Administrator, who shall allocate such property on the basis of need and utilization for transfer by the Administrator of General Services to such State agency for distribution to civil defense organizations of such State, or political subdivisions and instrumentalities thereof, which are established pursuant to State law. No such property shall be transferred until the Federal Civil Defense Administrator has received from such State agency a certification that such property is usable and needed for civil defense purposes in the State, and until the Federal Civil Defense Administrator has determined that such State agency has conformed to minimum standards of operation prescribed by the Federal Civil Defense Administrator for the disposal of surplus property. The provisions of sections 201(b), 401(c), 401(e), and 405 of the Federal Civil Defense Act of 1950, as amended, shall apply to the performance by the Federal Civil Defense Administrator of his responsibilities under this section.

"(6) Determination whether such surplus property is usable and necessary for cooperative agricultural extension work or research therefor in any State shall be made by the Secretary of Agriculture, who shall allocate such property on the basis of need and utilization for transfer by the Administrator of General Services to such State agency for distribution to agencies within such State which are engaged in cooperative agricultural extension work conducted in accordance with the Act of May 8, 1914, as amended (7 U.S.C. 341-348). No such property shall be so transferred until the Secretary of Agriculture has received from such State agency a certification that such property is usable and needed for such cooperative agricultural extension work in the State, and until the Secretary of Agriculture has determined that such State agency has conformed to minimum standards of operation prescribed by the Secretary of Agriculture for the disposal of surplus property under this subsection.

"(7) The Secretary of Health, Education, and Welfare, the Federal Civil Defense Administrator, and the Secretary of Agriculture may impose reasonable terms, conditions, reservations, and restrictions upon the use of any single item of personal property donated under paragraph (4), paragraph (5), or paragraph (6), respectively, of this subsection which has an acquisition cost of \$2,500 or more.

"(8) The term "State", as used in this subsection, includes the District of Columbia, the Commonwealth of Puerto Rico, and the Territories and possessions of the United States."

SEC. 2. (a) Notwithstanding any provision of the Federal Property and Administrative Services Act of 1949, any equipment, materials, books, or other

supplies (whether or not capitalized in a working-capital or similar fund) of the Post Office Department or the General Services Administration which are excess property and the custody of which has been transferred heretofore to any State or county agency engaged in cooperative agriculture extension work pursuant to the Act of May 8, 1914, as amended (7 U.S.C. 341-348), for the use of such agency, may be donated to such agency without cost by the Postmaster General or the Administrator of General Services, respectively.

(b) As used in this section, the term "excess property" shall have the meaning given thereto by section 3(e) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 472).

[S. 1210, 86th Cong., 1st sess.]

A BILL To amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus property to volunteer fire-fighting organizations, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of section 203(j)(1) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C., sec. 484(j)(1)) is amended to read as follows: "Under such regulations as he may prescribe, the Administrator is authorized in his discretion to donate without cost (except for direct costs of care and handling) for use in any State for purposes of education, public health, or civil defense, or for research for any such purpose, or for the purpose of aiding in the protection of life and property by volunteer fire-fighting organizations, any equipment, materials, books, or other supplies (including those capitalized in a working capital or similar fund) under the control of any executive agency which shall have been determined to be surplus property and which shall have been determined under paragraph (2), (3), or (4) of this subsection to be usable and necessary for any such purpose."

(b) The last sentence of section 203(j)(1) of such Act is amended by inserting before the period at the end thereof the following: ", except that notwithstanding a State agency is not designated under State law for the purpose of distributing property for use by volunteer fire-fighting organizations, such property may be transferred to such State agency for use for purposes of education, public health, or civil defense, or for research for any such purpose".

SEC. 2. (a) The first sentence of section 203(j)(3) of such Act (40 U.S.C., sec. 484(j)(3)) is amended to read as follows: "Determination whether such surplus property (except surplus property allocated in conformity with paragraph (2) of this subsection) is usable and necessary for purposes of education or public health, or for research for any such purpose, or for the purpose of aiding in the protection of life and property by volunteer fire-fighting organizations, in any State shall be made by the Secretary of Health, Education, and Welfare, who shall allocate such property on the basis of needs and utilization for transfer by the Administrator to such State agency for distribution to (A) tax-supported medical institutions, hospitals, clinics, health centers, school systems, schools, colleges, and universities, (B) other nonprofit medical institutions, hospitals, clinics, health centers, schools, colleges, and universities which are exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954, or (C) to any incorporated or unincorporated volunteer fire department, fire company, or other similar fire-fighting organization which is tax supported or has been held exempt from taxation under section 501 of the Internal Revenue Code of 1954."

(b) The second sentence of section 203(j)(3) is amended by inserting "or for the purpose of aiding in the protection of life and property by volunteer fire-fighting organizations in the State," after "in the State."

SEC. 3. Section 204(k)(2) of such Act (40 U.S.C., sec. 484(k)) is amended by striking out "or" at the end of clause (D), by striking out the comma at the end of clause (E) and inserting in lieu thereof "; or", and by inserting immediately after clause (E) the following new clause:

"(F) the Secretary of Health, Education, and Welfare, through such officers or employees of the Department of Health, Education, and Welfare as he may designate, in the case of property transferred pursuant to this Act to volunteer fire-fighting organizations for aiding in the protection of life and property by such organizations,".

SEC. 4. Section 203(o) of such Act (40 U.S.C., sec. 484(n)) is amended by inserting "or volunteer fire-fighting organizations" after "educational or public health institutions".

[S. 1365, 86th Cong., 1st sess.]

A BILL To amend the Federal Property and Administrative Services Act of 1949 to authorize the disposal of surplus property to certain welfare agencies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (1) of subsection (j) of section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C., sec. 484), is amended by inserting immediately after "or for research for any such purpose" the following: "or for utilization by welfare or recreation agencies".

SEC. 2. Paragraph (3) of such subsection (j) is amended—

- (1) by inserting immediately after "or for research for any such purpose" the following: "or for utilization by welfare or recreation agencies";
- (2) by striking out "and (B)" and inserting "(B)"; and
- (3) by inserting immediately after "Internal Revenue Code of 1954" the following: "and (C) welfare or recreation agencies".

SEC. 3. Paragraph (2) of subsection (k) of such section 203 is amended—

- (1) by striking out "or" at the end of subparagraph (D);
- (2) by striking out "law," in subparagraph (E) and inserting in lieu thereof "law; or"; and
- (3) by inserting immediately after such subparagraph (E) the following: "(F) the Secretary of Health, Education, and Welfare, in the case of property transferred pursuant to this Act to welfare or recreation agencies—".

SEC. 4. Such section 203 is further amended by adding at the end thereof the following new subsection:

"(p) As used in this section, the term 'welfare or recreation agencies' means tax-supported or tax-exempt welfare or recreation agencies which serve people in institutions and in groups, but in the case of any such agency which is a tax-exempt voluntary agency, includes only an agency which meets at least one of the following criteria—

- "(1) such agency is licensed by a State standard-setting agency;
- "(2) such agency receives funds through a State or local community fund or similar federated fund-raising body; or
- "(3) such agency is affiliated with, or is a part of, a national standard-setting organization."

[S. 1766, 86th Cong., 1st sess.]

A BILL To amend the Federal Property and Administrative Services Act of 1949 to permit the donation and other disposal of property to tax-supported public recreation agencies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C., sec. 484(j)), is amended by insertion "public recreation," immediately after "public health,".

(b) The first sentence of paragraph (3) of section 203(j) of such Act of 1949, as amended, is amended—

- (1) by striking out "or public health," and by inserting in lieu thereof "public health, or public recreation,"
- (2) by striking out "and (B)" and inserting in lieu thereof "(B)", and
- (3) by inserting immediately before the period at the end thereof the following: "and (C) tax-supported public recreation agencies of any State, or of any political subdivision of a State."

SEC. 2. (a) The first sentence of paragraph (1) of section 203(k) of such Act of 1949, as amended (40 U.S.C., sec. 484(k)), is amended by inserting before the period at the end thereof a comma and by following: "or for use in the promotion of public recreation".

(b) Paragraph (1) of such section 203 (k) is further amended—

- (1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E),

EXPANSION OF DONABLE PROPERTY PROGRAM

(2) by striking out subparagraph (A) and subparagraph (B) in the subparagraph so redesignated as subparagraph (D) and inserting in lieu thereof "subparagraphs (A), (B), and (C)"; and

(3) by inserting after subparagraph (B) the following new subparagraph:

"(C) Subject to the disapproval of the Administrator within thirty days after notice to him by the Secretary of Health, Education, and Welfare of a proposed transfer of property for use in the promotion of public recreation, the Secretary, through such officers and employees of the Department of Health, Education, and Welfare as he may designate, may sell or lease such real property for public recreation purposes to tax-supported public recreation agencies of any State or of any political subdivision of a State."

(c) Paragraph (2) of such section 203(k) is amended by striking out "or" at the end of subparagraph (D), by striking out the comma at the end of subparagraph (E) and inserting in lieu thereof "; or", and by inserting immediately after subparagraph (E) the following new subparagraph:

"(F) The Secretary of Health, Education, and Welfare, through such officer or employee of the Department as he may designate, in the case of property transferred pursuant to this Act to tax-supported public recreation agencies of any State or of any political subdivision of a State for use in the promotion of public recreation."

SEC. 3. Section 203 (o) of such Act of 1949, as amended (40 U.S.C. 484(o)), is amended by striking out "educational or public health institutions" and inserting in lieu thereof "educational or public health institutions, or public recreation agencies".

[S. 2103, 86th Cong., 1st sess.]

A BILL To provide that surplus personal property of the United States may be donated to the States for the promotion of fish and wildlife management activities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to promote fish and wildlife management and development activities by the States in cooperation with the Federal Government in furtherance of the Federal Aid in Wildlife Restoration Act of September 2, 1937 (50 Stat. 917; 16 U.S.C. 669), the Federal Aid in Fish Restoration Act of August 9, 1950 (64 Stat. 430; 16 U.S.C. 777), the Fish and Wildlife Act of 1956, approved August 9, 1956 (70 Stat. 1119; 16 U.S.C. 742(a)), and the Fish and Wildlife Coordination Act, as amended, approved August 12, 1958 (72 Stat. 563; 16 U.S.C. 661), and other enactments relating to fish and wildlife management and development activities, the Administrator of General Services is authorized, in his discretion and pursuant to such regulations as he may prescribe, to donate without cost, except for direct costs of care and handling, for fish and wildlife management and development purposes, to the States, Territories, and possessions, or to appropriate agencies thereof, such equipment, materials, supplies, or other personal property under the control of any Executive agency as shall have been determined by the Administration of General Services to be surplus Federal property in accordance with established procedures relating thereto. A determination as to whether the particular surplus properties available for transfer hereunder are usable and desirable for the purposes of this Act shall be made by the Secretary of the Interior, who shall allocate such property on the basis of needs and prospective use prior to the transfer thereof by the Administrator of General Services to the said States, Territories, and possessions.

[S. 2043, 86th Cong., 1st sess.]

A BILL To authorize the disposal of surplus equipment, materials, books, and supplies under section 203(j) of the Federal Property and Administrative Services Act of 1949 to the New Mexico Boys' Ranch

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 484), the New Mexico Boys' Ranch, a nonprofit organization affiliated with the

Valencia County, New Mexico, school system, shall be deemed to be a tax-supported school, and its purposes shall be deemed to be educational, within the meaning of such section.

[S. 2198, 86th Cong., 1st sess.]

A BILL To amend the Federal Property and Administrative Services Act of 1949

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203(j) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by the addition of the following:

"(7) Surplus property to which American educational organizations are eligible for performing educational work, including research, may be taken to foreign countries where such organizations are working among underprivileged tribal groups pursuant to contract agreements under such foreign country".

[S. 2244, 86th Cong., 1st sess.]

A BILL To amend the Federal Property and Administrative Services Act of 1949, as amended, to promote the welfare of the Indian tribes by making available to them surplus personal property

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 203 of the Federal Property and Administrative Services Act of 1949, as amended, is further amended by adding to the end thereof the following subsection :

"(p) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to donate without cost (except for costs of care and handling) surplus personal property (including property capitalized in a working capital or similar fund) to any Indian tribe, band, or group under Federal supervision: *Provided*, That the Secretary of the Interior shall first have determined that such property is needed by such tribe, band, or group for an approved program, and that tribal funds cannot reasonably be made available for the acquisition of such property."

[S. 2270, 86th Cong., 1st sess.]

A BILL To improve the administration of transfers of certain real property for wildlife or other purposes by repealing the Act of May 19, 1948, and incorporating the essential provisions thereof in the Federal Property and Administrative Services Act of 1949, as amended

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of May 19, 1948 (62 Stat. 240, ch. 310) is hereby repealed.

SEC. 2. (a) Paragraph (C) of subsection (k) (2) of section 203 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 484), is hereby amended to read as follows:

"(C) The Secretary of the Interior, in the case of property transferred (i) pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions, and instrumentalities thereof, and municipalities for use as a public park, public recreational area, or historic monument for the benefit of the public, and (ii) pursuant to subsection (p) of this section, to a State agency charged with the administration of the wildlife resources of that State for use in the conservation of wildlife not relating to migratory birds;".

(b) Section 203 of such Act is further amended by adding at the end thereof the following new subsection :

"(p)(1) Whenever the Secretary of the Interior determines that any surplus real property is useful for the purpose of wildlife conservation, and the Administrator after consultation with the Secretary of the Interior determines that such property is chiefly valuable for that purpose, the Administrator is authorized in his discretion, under such regulations as he may prescribe, to transfer that property without reimbursement or transfer of funds (and in the dis-

creation of the Administrator with or without any improvements situated thereon) to—

“(A) the Secretary of the Interior, if the Secretary determines that such property has particular value for the purpose of carrying out the national migratory bird management program; or

“(B) if he does not so determine, to the agency of a State within which that property is situated charged with the administration of the wildlife resources of that State for use in the conservation of wildlife other than migratory birds.

“(2) Each transfer of surplus property to any State agency under this subsection shall be made subject to the following terms, conditions, reservations, and restrictions:

“(A) All property so transferred shall be used and maintained for the purpose for which it was conveyed;

“(B) Upon determination by the Administrator that it is in the interest of the United States, all oil, gas, and mineral rights with respect to that property shall be reserved to the United States for separate transfer or disposal under this Act;

“(C) During any national emergency declared by the President or by the Congress, the United States shall have the right to make exclusive or nonexclusive use of the property and shall have exclusive or nonexclusive control and possession thereof without charge;

“(D) Such additional terms, conditions, reservations, and restrictions as the Administrator may determine to be necessary to safeguard the interests of the United States; and

“(E) Upon failure of the transferee to comply with any of the terms, conditions, reservations, or restrictions of the transfer, all of the property so transferred, or any portion thereof, shall, at the option of the United States, revert to the United States in its then existing condition.”

[S. 2367, 86th Cong., 1st sess.]

A BILL To provide that certain surplus property of the United States may be donated for park or recreational purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 13(h)(2) of the Surplus Property Act of 1944, as amended (50 App. U.S.C., sec. 1622(h)(2)), is amended by striking out the first sentence thereof, and so much of the second sentence thereof as precedes the colon, and inserting the following: “Conveyances of property under this subsection for park or recreational purposes, and for historic-monument purposes, shall be made without monetary consideration”.

[S. 2442, 86th Cong., 1st sess.]

A BILL To provide for the disposition of surplus personal property to the government of Alaska

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled “An Act to provide for the disposition of surplus personal property to the Territorial government of Alaska,” approved August 24, 1954 (68 Stat. 794), as amended by the Act of August 1, 1956 (70 Stat. 918), is amended by striking out “until December 31, 1958” where it appears in the first section, and by striking out “Territorial” where it appears in the first section and title.

JULY 27, 1959.

Memorandum to Senator Gruening.

Subject: Bills providing for extension for provisions for donation of surplus Federal property.

I. PRESENT LEGISLATION GOVERNING DONATION OF FEDERAL SURPLUS PERSONAL PROPERTY

Section 203(j) of the Federal Property and Administrative Services Act now governs the disposal of donable surplus personalty of the Federal Government.

Under provisions of this law, surplus Federal property may be donated without cost (except for costs of care and handling) for use in any State for purposes of education, public health, or civil defense, or for research for any such purpose.

II. PRESENT LAW GOVERNING DISPOSAL OF SURPLUS FEDERAL REAL PROPERTY TO STATES

Section 203(k) of the Federal Property and Administrative Services Act provides for the sale or lease of surplus real property for education and public health purposes. In effect, this provision frequently allows the virtual donation of real property due to the inclusion in section 203(k)(1)(C) of a provision which allows the Secretary of Health, Education, and Welfare to take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by the State, county, or city to which it is transferred. In effect, this has resulted in transferring real property to local agencies at prices which are very much less than the actual value of the property.

Section 13(g) of the Surplus Property Act of 1944 provides for the donation of surplus real and personal property to the States, counties, cities or tax-supported institutions for airport purposes.

Section 13(h) of the Surplus Property Act of 1944 provides for the transfer to States, cities, and State instrumentalities of surplus real property, including improvements and equipment located thereon, which in the determination of the Secretary of Interior is suitable and desirable for use as a public park, public recreational area, or historic monument.

This provision requires that the conveyance be made at a price equal to 50 percent of the fair value of the property conveyed, unless the location is to serve as an historic monument, in which case it may be conveyed without consideration.

Public Law 537 of the 80th Congress authorized the conveyance to the States of real property, without reimbursement or transfer of funds when such property is found to be chiefly valuable for wildlife conservation purposes. Under this law, if the Secretary of Interior finds that the property has particular value in carrying out the national migratory bird management program, such property would be transferred to the Secretary of the Interior for this purpose.

NOTE.—This is the law which the General Services Administration wishes to have amended in accordance with the bill, S. 2270, which has been introduced at the request of that agency. This bill would repeal the existing law and conform its provisions with other procedures now established under the Federal Property and Administrative Services Act.

III. PROCEDURE FOR DONATION OF SURPLUS PROPERTY

The Department of Health, Education, and Welfare is the agency responsible for controlling the disposition of property donated for health and education purposes. By delegation from the OCDM, the Department is also responsible for the administration of the donable property program for civil defense.

The program is operated in cooperation with the State surplus property disposal agencies, and the Federal and State agencies work very closely together.

The State surplus property disposal agencies have staffs of screeners who keep themselves constantly informed of the probable availability of surplus property and the needs for it of local health, education, and civil defense organizations.

The procedure for disposing of donable property is as follows:

(1) Federal agencies having personal property which is not needed report its availability to the General Services Administration.

(2) The GSA supplies information concerning excess property to all other executive agencies.

(3) If any agency can use property which is excess to the needs of another, the agency will receive the excess subject to reimbursement of the donor agency for the value of property received.

(4) In the event no other Federal agency can use property which is excess to a particular agency, it is then declared surplus and may be available for donation for health, education, and civil defense purposes.

(5) The State surplus property disposal agencies send requests on forms provided by the Department of Health, Education, and Welfare, listing types of property which are needed and usable in their States. Upon receipt of notices by HEW of the availability of surplus property matching the requirements of

the States, the surplus property is required to be held by the disposing agencies for transfer to a State surplus property officer.

(6) The State agency is responsible for picking up the surplus property to which it is entitled from the disposing agency.

(7) The State agency ordinarily transfers the property to warehouses where it is held for inspection and selection by local health, education, and civil defense groups.

(8) The local groups select the property they can use from supplies available at the State warehouse and make arrangements for transporting it to its ultimate destination. At the time the local agency takes the surplus property, a form prescribed by HEW is completed to show the withdrawal of the property from the warehouse.

(9) Title of property having acquisition cost of \$2,500 or less remains in the Federal Government until transfer to the ultimate donee in the State. In the case of any single item of personal property having an acquisition cost of \$2,500 or more, the Secretary of Health, Education, and Welfare and the Federal Civil Defense Administrator are empowered to impose reasonable terms, conditions, reservations, and restrictions on use. Thus, in the case of the transfer of single items costing more than \$2,500, the conveyance to the State agency is conditioned on the performance of prescribed terms.

IV. ACCOUNTABILITY FOR SURPLUS PROPERTY

Under existing procedures, the Federal Government maintains no effective system of accounting for surplus property having a single-item acquisition value of less than \$2,500 after the property is transferred to State disposal agencies. There is, under present regulations, no way of accurately determining the amount of surplus property held in various State warehouses.

V. DISPOSAL OF NONREPORTED PROPERTY

Under section 202(h) of the Federal Property and Administrative Services Act, the General Services Administrator may authorize other Federal agencies to abandon, destroy, or donate to public bodies property which has no commercial value or property having a sale value which is less than the estimated cost of continued care and handling. There appears to be no accurate accounting at this time of the quantity of property of which disposal is made under this provision. An estimate has been received that the amount of property which is disposed of in this manner is considerably greater than the quantity distributed through the other program for donation of surplus property provided for by section 203 of the Federal Property and Administrative Services Act.

VI. MAJOR CONSIDERATIONS TO BE DETERMINED IN HEARINGS ON DONABLE PROPERTY BILLS

- (1) What is the actual quantity of surplus property now available?
- (2) What is the estimate of property which may become available?
- (3) What is the rate of utilization of property declared surplus?
 - (a) How much property is in State warehouses?
 - (b) How much turnover of surplus property occurs with respect to property transferred to State warehouses?
- (4) What administrative problems would be created by the addition of qualified donees beyond those now eligible as health, education, and civil defense agencies?
- (5) Is it necessary to establish a system of priorities if additional qualified donees are included in the law?
- (6) Is there sufficient generation of surplus property to provide for additional donees?
- (7) If there is property available in addition to that now utilized by presently eligible donees, how should additional donees be selected?
- (8) Should procedures be established to account for surplus property items during the time they are in the hands of State surplus property disposal agencies?

SENATE COMMITTEE ON GOVERNMENT OPERATIONS,
May 2, 1957.

Staff memorandum No. 85-1-16.

Subject: Proposals to expand the donable property program:

S. 855, to amend the Federal Property and Administrative Services Act of 1949, to permit the donation of surplus property to municipal governments.

S. 1318, to amend section 13(h) of the Surplus Property Act of 1944, to permit donation of surplus property for park, recreational, and historic-monument purposes.

S. 1471, to permit the donation of surplus property to 4-H clubs, camps and centers.

S. 1700, to permit donation of surplus property to a State or political subdivision thereof, if the property was originally given to the United States.

Since the beginning of the present session of Congress, the above four bills have been introduced in the Senate and a dozen or more in the House of Representatives, for the purpose of amending the Federal Property and Administrative Services Act of 1949, so that surplus real or personal property may be donated to certain groups, such as, to the States and political subdivisions thereof, municipal governments, to volunteer firefighting organizations, rescue squads, first aid crews, for public park, recreational and historical-monument purposes, to 4-H clubs, youth camps, and to various other special activities and organizations.

At the present time, section 203 of the Federal Property and Administrative Services Act of 1949 authorizes the Administrator of General Services to donate Government-owned surplus property usable and necessary for health, education, civil defense, or for research for any of these purposes.

BACKGROUND

The donation of surplus real and personal property for health and educational use was originally authorized at the end of World War I; near the end of World War II, the Surplus Property Act of 1944 was enacted authorizing continuation of the program, and the sale of Government-owned surplus to various other groups at a discount or on a preferential basis, which resulted in the establishment of a complex system of priorities and preferences.

During 1948-49, the first Hoover Commission made an extensive study of the departments and agencies of the Government responsible for the procurement, custody and disposition of Federal property, and recommended that a central office be established (General Services Administration) to which should be transferred the authority to procure, stock, and issue common use items of supply, the control and management over real and personal property, records management and other related service functions of the Government.

The Commission specifically recommended that the statutes, rules and regulations governing the administration and utilization of Government property be repealed, in order to make possible greater economy and efficiency in this activity, as follows:

"Enact legislation which will repeal the conglomeration of existing statutes, clear the books of present restrictive and often conflicting decisions and regulations, and provide the basic principles for an effective supply system" (recommendation No. 4).

The task force of the first Hoover Commission recommended that:

"There should be wholesale repeal of the statutes governing the disposal of the surplus personal property. Nearly 400 are listed in Public Affairs Bulletin No. 29 of the Library of Congress, entitled 'Disposal of Government-owned Personal Property,' April 1944."¹¹

The enactment of the Federal Property and Administrative Services Act of 1949, and amendments thereto, repealed various statutes and parts of laws as recommended by the Hoover Commission, except for education and health. Since the establishment of the General Services Administration under that act, the committee has received numerous requests and many bills have been introduced to authorize the donation of Government-owned surplus to various types of organizations. All of these have been rejected except an amendment approved in the 84th Congress, authorizing the donation of certain types of surplus which are usable and needed for civil defense purposes.

¹¹ Task force report on "The Federal Supply System," January 13, 1949 (p. 116).

In approving the proposal for civil defense use, the committee, after extensive hearings and evaluation of the proposed extension of the donable program, concluded that because of the important relationship between local civil defense and Federal civil defense operations, such property should be donated for use of these organizations rather than sold, which, in some instances, required the local units to buy back the property for public use. It was further concluded that, if this property can be donated to civil defense units without jeopardizing the donable property program for health and education, such disposal was in the public interest and should be permitted.

Since the inclusion of civil defense in the program, other groups have requested amendments to include their organizations, activities or programs in the donable property program. The possibility of adding them to the eligible list had been considered by the committee in 1949, 1954, 1956, and on several other occasions. Each time the committee concluded that if additional donees were made eligible, there would not be enough property available to meet the minimum needs of the educational, health, and civil defense purposes. The committee also held that, if additional organizations and institutions were made eligible, it would result in the reestablishment of a long list of priorities and preferences, as was reported by the first Hoover Commission, which would cause competition among the donees, delay and confusion, and would substantially increase the cost of administration.

In short, the addition of more eligible donees would eventually destroy the excellent program which was initiated many years ago and which has been of tremendous benefit to schools and colleges and in the promotion of research and civil defense programs throughout the United States.

AGENCY COMMENTS ON PREVIOUS BILLS

When the committee had under consideration S. 1527, H.R. 7227, and S. 3693, in the 84th Congress, which proposed the extension of the donable property program to civil defense organizations, the Assistant Administrator of General Services reported on July 21, 1955, to the chairman as follows:

"A number of proposals have been made from time to time for extending the authorization for the donation of surplus property so as to be applicable to various special activities or organizations of a public nature. Although the objectives of these entities are generally praiseworthy, GSA has opposed the extension on such a piecemeal basis. The addition at random of diverse new classes of donees would result in confusion and in increased burdens and expense in administration, and would seriously delay and impede the overall program for the disposal of Government surplus property."

On August 1, 1955, the Acting Director of the Bureau of the Budget reported on S. 1527, in part, as follows:

Although we have been generally opposed to the expansion of the donation program, we believed the proposal to permit donations for civil defense purposes deserved special consideration. On February 23, 1955, we informed the Federal Civil Defense Administrator that there would be no objection to the submission of a draft bill similar to S. 1527, provided that the appropriate committees of the Congress were informed regarding the administrative problems involved."

AGENCY COMMENTS ON S. 855

On February 6, 1957, the Comptroller General reported on this bill as follows: "The bill would amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to municipal governments for municipal governmental purposes. We have no direct knowledge of the need of municipal governments for surplus property of the United States nor of the type, value or quantity of such surplus which might be used by those organizations. Therefore, we are not in a position to make a recommendation as to the merits of the bill. We note that this bill is one of several which have been introduced to permit donations for purposes not presently authorized by existing law. Such bills would authorize donations to 4-H clubs, youth camps and centers, volunteer fire departments, volunteer rescue squads and similar organizations.

"While we do not question the worthiness of such bills, we believe that if legislation for such public purposes is deemed necessary or desirable, consideration should be given to enacting general legislation rather than legislation on an individual basis."

By letter dated April 19, 1957, the Administrator of General Services reported: " * * * S. 855 would add a new provision for donation by the Administrator of General Services to 'municipal governments for municipal governmental purposes' of surplus personal property under the control of any executive agency and determined by the Secretary of Health, Education, and Welfare to be usable and necessary for such purposes. This bill is one of a number of bills which have been introduced for the purpose of extending the existing authorization for the donation of surplus personal property to cover various special activities and organizations.

"Notwithstanding how salutary may be the objective of this proposal, GSA objects to the enactment of S. 855 for the reasons hereinafter set forth.

"The enactment of this legislative proposal would necessarily increase the operating costs and impede the operations of this administration in connection with the disposition of surplus property. To illustrate:

"Inquiries from and interviews with the representatives of municipal governments seeking information about surplus property and about procedures for obtaining it would be time-consuming and costly, particularly because such municipal governments are numerous in the several States and in many instances operate independently of each other.

"The reviewing of records and stocks and the screening of available surplus against the competitive requests of the many municipal governments in order that determinations of usability and need could be made would undoubtedly be laborious, and might often seriously interfere with regular operations for utilization of excess and delay the disposal of surplus property by sale.

"The settlement of competing claims between individual municipal governments and of requests for donations from that group and of varying demands on account of education, public health and civil defense, would constitute a recurring problem likely to engender ill will and create still further delays in warehouse clearance.

"To broaden the surplus property donation authority of the Federal Property and Administrative Services Act of 1949 to cover municipal governments would operate as an invitation to have presented still more proposals for inclusion of additional organizations such as county mosquito control districts, 4-H clubs, volunteer fire departments and rescue squads, municipal water and gas systems, etc. As you know, GSA has consistently opposed the inclusion of these organizations within the donation program (with no question as to the worthiness of their purpose) on the grounds that their inclusion in the program would be adverse to the public interest. Also, to single out any one such organization, including municipal governments, for preferential treatment in the disposal of surplus property would be discriminatory toward the other beneficial activities. On the other hand, adoption of such proposals would inevitably result not only in increased administrative costs and complication of disposal operations, but also in jeopardizing the orderly procedures for surplus property disposals now being carried out by GSA pursuant to the provisions of the Federal Property and Administrative Services Act of 1949."

The Acting Director of the Bureau of the Budget reported on February 15, 1957, as follows:

"We believe it inadvisable to enlarge the number of organizations or purposes for which surplus property may be donated. You may recall that the Government has had very unsatisfactory experience in the past under statutes authorizing donations for many different purposes. In 1949 those statutes were repealed because it had been found that the numerous claimants caused surplus property to remain in warehouses at Government expense for long periods, sometimes even for years, while first one group and then another examined the lists of available surplus. In the end, most of the property was not wanted by any group and had to be sold. In such instances the losses due to damage and deterioration of stock and the added costs of warehouse space, care and handling, and administration seemed unjustified. The laws were repealed in order to speed up, simplify, and make less costly the task of surplus property disposal. We have therefore generally opposed bills proposing to expand the donation program to include such purposes and institutions as mosquito control, municipal water and gas systems, 4-H Clubs, and scientific and research organizations. For the same reasons we oppose extending the program to municipal governments as proposed in S. 855.

"We have not questioned the worthiness of these purposes, but have recommended to your committee and to the House Committee on Government Operations that, in view of the serious administrative difficulties involved, any further expansion of the donation program should be supported only for major purposes which are compelling in the national interest."

AGENCY COMMENTS ON S. 1471

By letter dated April 12, 1957, the Director of the Bureau of the Budget reported that:

"We believe it inadvisable to enlarge the number of organizations or purposes for which surplus property may be donated. * * * For the same reasons (set forth in letter re S. 855) we oppose extending the program to 4-H Clubs as proposed in S. 1471."

The Comptroller General reported on S. 1471 (and on S. 855), in part, as follows:

"The need or desirability of the proposed legislation is not a matter on which we have any special information and, consequently, we are not in a position to make any recommendation as to the merits of the bill. We have noticed, however, that a number of bills have been introduced to permit donations of surplus property for purposes not presently authorized by existing law. Such bills would authorize donations to volunteer firefighting organizations, volunteer rescue and lifesaving squads, and youth camps and centers. In view of the number and types of organizations under consideration in those bills, we believe that general rather than individual legislation might be a preferable means of amending existing law."

The Administrator of General Services reported on April 19, 1957, in part, as follows:

"S. 1471 would add a new provision for donation by the Administrator of General Services to 4-H Clubs of surplus personal property under the control of any executive agency and determined by the Secretary of Health, Education, and Welfare to be usable and necessary for the construction, equipment, and operation of 4-H Club camps and centers. This bill is one of a number of bills which have been introduced for the purpose of extending the existing authorization for the donation of surplus personal property to cover various special activities and organizations.

"Notwithstanding how salutary may be the objective of the 4-H Clubs, GSA objects to the enactment of S. 1471 for the reasons hereinafter set forth."

The GSA also reported that the enactment of this legislative proposal would necessarily increase the operating costs and impede the operations of this Administration in the same manner as set forth in its comments on S. 855.

AGENCY COMMENTS ON S. 1318 AND S. 1700

As of this date, the committee has not received any agency comments on S. 1318 or S. 1700. S. 1318 would authorize the donation of surplus property for public park, recreational, and historic-monument purposes. S. 1700 would provide that, upon application therefor, surplus property which was originally donated to the Government by a State or political subdivision thereof, and subsequently became surplus to its needs, shall be returned to such State without monetary consideration. In some instances this property would be disposed of by sale or transfer without reimbursement to schools, colleges, public health institutions, or for civil defense use, if not returned to the States. The enactment of this bill would eliminate the need for special legislation in individual cases, a number of which have been approved by this committee in recent years, and leave the determination of transferring such property to the executive department rather than to the Congress. Action, therefore, is a matter of legislative policy to be recommended by the committee.

S. 1318 would also eliminate the present need for special legislative action, in individual cases where the property is required for historic-monument purposes, without the payment of 50 percent of its fair market value, as presently required by law. This is likewise a matter of legislative determination, which would, if the bill is approved, reverse a policy established by the Congress in 1944.

S. 1675, A RELATED BILL

Another bill, which would give former owners a preference in repurchasing Government surplus property before it is offered for public sale, is also pending before the committee, but, since it is not of the same general import as S. 855, S. 1318, S. 1471, and S. 1700, it is covered separately by staff memorandum No. 85-1-19.

GLENN K. SHRIVER,
Professional Staff Member.

Approved:

WALTER L. REYNOLDS, *Staff Director.*

SENATE COMMITTEE ON GOVERNMENT OPERATIONS,

May 13, 1959.

Staff memorandum No. 86-1-23.

Subject: Bills providing for expansion of the surplus property donation program and related measures.

The Federal Property and Administrative Service Act of 1949, as amended, provides that real and personal property which is surplus to the needs of the Federal Government may be donated to public health, education, or civil defense activities if usable and needed for such purposes.

Since the inception of this program, millions of dollars' worth of surplus property has been donated by the Federal Government to tax-supported and nonprofit schools, colleges, hospitals, clinics, research activities related thereto, and to civil defense organizations throughout the United States.

This property has helped to alleviate some of the crowded conditions which have existed in many schools since the end of World War II. The property has aided materially in providing equipment for the training of boys and girls in all grades of public instruction, the training of youths in the arts and sciences, and the advanced training of scientists and others on a graduate or professional level. Many grade and intermediate schools and institutions benefited by this program through the use of land and buildings which were obtained at a very small fraction of the initial cost, and as a result research facilities were improved or expanded which, in many instances, would not have been possible without the donable property program.

The program has also helped to equip, furnish, and supply needed fixtures for public health centers, clinics, and hospitals, and thereby made possible training and services to the youth of this country, and public health benefits which may not have been provided or would have cost the local communities large sums of money. No attempt has been made to measure or place a price tag on this program because of the intangibles involved; it is considered to be a worthwhile investment in the education and health of America and, therefore, has helped to raise the standard of living and contributed to the national defense.

BILLS FOR EXPANSION OF THE DONABLE PROPERTY PROGRAM

During the 85th Congress, seven bills were introduced in the Senate and over a dozen bills were introduced in the House of Representatives providing for expanding the donable property program to various groups and State or community activities. Since the beginning of the 86th Congress, 5 bills have been introduced in the Senate (18 in the House) providing for the donation of surplus property to (1) tax-supported and publicly owned libraries, (2) agencies engaged in cooperative agricultural extension work, (3) to volunteer firefighting organizations, (4) to certain welfare agencies, and (5) to tax-supported public recreation agencies.

There is listed below the number, sponsors, and title of the bills introduced in the Senate during the present session which are now pending before this committee:

S. 155 (Kerr and Monroney), to amend the Federal Property and Administrative Services Act of 1949 so as to permit donation of surplus property to libraries which are tax supported or publicly owned and operated.

S. 1018 (Stennis and Aiken), to authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work and for other purposes.

S. 1210 (Humphrey), to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus property to volunteer firefighting organizations and for other purposes.

S. 1365 (Keating and others), to amend the Federal Property and Administrative Services Act of 1949 to authorize the disposal of surplus property to certain welfare agencies.

S. 1766 (Clark), to amend the Federal Property and Administrative Services Act of 1949 to permit the donation and other disposal of property to tax-supported public recreation agencies.

Senator John Stennis stated in the Senate on behalf of S. 1018, February 9, 1959, that:

"The bill I have introduced would place the Cooperative Extension Service on the same basis as the Department of Health, Education, and Welfare, Civil Defense, and other agencies now receiving surplus property. The Secretary of Agriculture would be required to issue regulations and determine the type of property which would be usable and necessary for extension work, and such property would be allocated on the basis of need. Under this procedure the State and county extension services would request, through the authorized State agency office equipment and other items needed for carrying out their educational programs."

Senator Keating stated in part, on behalf of S. 1365, that:

"The present law, which limits eligibility for surplus Government property to education and health organizations, should be expanded to include worthy welfare and recreational agencies. These include settlement houses, homes for the aged, youth centers, character-building agencies, and adoption centers."

In considering the extension of the act in previous Congresses, the committee conceded that the objectives of these proposals and those which would include other similar agencies, organizations, or publicly supported activities were meritorious and worthwhile public activities. The most important question for the committee to decide, however, is: How many users can be made eligible without destroying the donable program for health, education, and civil defense? This question was considered by the committee in 1949, 1954, 1956, and in executive session in August 1958. At each meeting the committee members concluded that, if additional donees were made eligible, there would not be enough surplus property available to meet the minimum needs of education, health, and civil defense activities, and that if additional organizations and institutions were made eligible, it would result in the establishment of a long list of priorities and preferences. As reported by the Hoover Commission, a similar program operated under the War Assets Administration caused such competition among the donees that the distribution of surplus was delayed, and such confusion resulted that none of the participants benefited to the extent that is now possible, in addition to substantially increasing the cost of administration.

The first Hoover Commission made an extensive study of the departments and agencies of the Government responsible for the procurement, custody, and disposition of Federal property, and recommended that a central office be established to which should be transferred the authority to procure, stock, and issue common-use items of supply, the control and management over real and personal property and other related functions. The Commission specifically recommended that the statutes, rules, and regulations governing the administration and utilization of Government property be repealed in order to make possible greater economy and efficiency in this activity as follows:

"Enact legislation which will repeal the conglomeration of existing statutes, clear the books of present restrictive and often conflicting decisions and regulations * * *."

The task force recommended that "There should be wholesale repeal of the statutes governing the disposal of surplus personal property. Nearly 400 are now listed in Public Affairs Bulletin No. 29 of the Library of Congress, entitled 'Disposal of Government-Owned Personal Property'."

AGENCY COMMENTS AND RECOMMENDATIONS

The staff made an extensive analysis of the bills and agency comments on the proposed extension of this program during 1957. At that time all of the agencies which were engaged in the disposal of surplus property were consulted to ascertain the need, purpose, objectives, and administrative problems involved in the program. (See staff memorandum No. 85-1-16). The affected agencies

objected to amending the Federal Property and Administrative Services Act of 1949, so as to permit more agencies to become eligible for the following reasons:

(1) It would increase the cost of administration and delay the orderly disposition of surplus property to the using agencies or activities.

(2) It would lead to the establishment of priorities and preferences which were in existence under the Surplus Property Act of 1944 and which caused so much criticism and confusion.

(3) It would create competition among the eligible donees, and, as a result, would increase the practice of hoarding surplus property in agency warehouses.

(4) Inclusion of additional donees under the act would be an open invitation for literally hundreds of other worthwhile organizations to seek recognition, and thereby defeat the orderly disposition of surplus for educational, health, and civil defense purposes.

Pursuant to a request from Senator Lyndon B. Johnson for information on a complaint received from the president of vocational education of the National Education Association, alleging that vocational schools were not receiving enough surplus property, the committee made another study of the program in June 1958. (Staff memorandum No. 85-2-23, dated June 11, 1958).

OTHER BILLS RELATED TO THE SURPLUS PROPERTY PROGRAM

In addition to the bills listed above a number of other bills have been introduced in the Senate during this session of Congress which are related to the surplus property donation program. These bills provide for (a) giving prior owners of surplus real property a preference in the repurchase of such property from the Federal Government, (b) preference in the sale of surplus real property to individuals operating family-type farms, and (c) to facilitate and recover by the States of unclaimed personal property in the custody of Federal agencies.

CONCLUSION

Should the above listed bills be enacted into law, less property would be available for health, education, and civil defense use. If surplus property was donated to all of the users listed in these bills, the Federal Government would incur heavy administrative expenses. The addition of more eligible donees would, of necessity, require the establishment of a system of priorities. The Government would have to set up minimum standards for eligibility and one or more agencies would be required to allocate the property and enforce the restrictions or limitations placed on the use thereof. This would be a tremendous task because of the variety of users and variation in properties donated. For these, and other reasons cited by the affected agencies, serious consideration should be given to the formidable problems of equity in deciding which, if any, new organization and activities should be made eligible to receive surplus property under the donable property program.

The staff recommends that the committee, or a special subcommittee thereof, schedule hearings on all of these proposals, with a view of developing information and full details as to the need for further extension of the donable program, and to afford the sponsors of the respective bills an opportunity to submit their views for committee consideration. Officials responsible for administering the program should also be given an opportunity to outline the present program and the extent of donations under existing law and regulations, and their views regarding these bills and related measures proposing amendments to the Federal Property and Administrative Services Act.

GLENN K. SHRIVER,
Professional Staff Member.

Approved:

WALTER L. REYNOLDS, *Staff Director.*

SENATE COMMITTEE ON GOVERNMENT OPERATIONS,

May 18, 1959.

Staff memorandum 86-1-25.

Subject: Second Hoover Commission recommendations on the surplus property donation program—Supplement to staff memorandum 86-1-23.

On May 23, 1959, staff memorandum 86-1-23 was issued summarizing the information available on five bills pending before this committee which provide for the donation of surplus property to various types of tax-supported or pub-

licly owned organizations or agencies. This memorandum includes additional information relative to the recommendations of the Hoover Commission and the Bureau of the Budget on this subject, for the information of members of the committee.

HOOVER COMMISSION RECOMMENDATIONS

The Commission on Organization of the Executive Branch of the Government made the following recommendation and comment in its report on surplus property, with respect to broadening the donable property program, submitted to the Congress on April 18, 1955 (pp. 44, 45).

PROPOSALS TO BROADEN THE DONATION PROGRAM

"The Department of Health, Education, and Welfare has proposed that the donation program for public health purposes be broadened to include nursing homes, sanitation systems, scientific laboratories, treatment centers for physically handicapped, and malaria control institutions without cost except for costs of care, handling, and transportation.¹²

"The American Municipal Association appealed to the task force to include in its recommendations a change in the law to make local governments eligible for donations of Federal surplus personal property. The mayor of the city of New York wrote to the task force chairman in a similar vein.

"The Federal Civil Defense Administration has advocated legislation which would permit donation of Federal surplus personal property for civil defense purposes to States and local governments, and to Territories and possessions, without cost except for costs of care, handling, and transportation.¹³

"While some proposed extensions of the donable program seem irrelevant or trivial, others have considerable merit. However, the Commission observes that the inclusion of other donees, such as cities and counties, would pose complex problems of determining priorities * * *."

Recommendation No. 9

"That the Congress reexamine the provisions of the Federal Property and Administrative Services Act of 1949, as amended, relating to the donation of Federal Surplus property, and clarify congressional intent to transfer such property without cost to State educational and public health institutions, notwithstanding Department of Defense requirements for reimbursement of stock funds for transfers of property from such funds."¹³

The task force report on use and disposal of Federal surplus property upon which the above recommendation was based, commented, in part, as follows:

"The principal donees under the current program are schools, colleges, universities, medical institutions, hospitals, clinics and health centers. To qualify, institutions must be tax-supported or must have been held exempt from taxation under section 101(6) of the Internal Revenue Code. The transfers may also be made to State departments of education or health, or to another agency designated by State law for distribution to eligible institutions within the State * * *."

Current pressure for broadening the donation program

"Congress is under continual pressure to expand the classes of eligible donees. There were introduced in the 83d Congress several bills which, if enacted, would have extended the donation program to State public health departments, county mosquito control districts, and State publicly owned water districts. The Department of Health, Education, and Welfare recommended to the Harden Subcommittee of the House Committee on Government Operations, at its hearing on April 21, 1953, that the donation program for public health purposes be broadened to include nursing homes, sanitation systems, scientific laboratories, treatment centers for physically handicapped, and malaria control institutions. If it is to be the continuing policy of the Congress to donate Federal surplus personal property for public health purposes, it would not seem amiss to broaden the program in these suggested directions.

¹² Public Law 152 was further amended on July 3, 1956, to provide for the donation of surplus property to State and local civil defense activities (Public Law 688, 84th Cong.).

¹³ As indicated in par. 3, p. 2 of staff memorandum 86-1-23, the committee has reviewed this program several times since 1949, and the House Committee on Government Operations, or a subcommittee thereof, held hearings in stock fund reimbursement proposals of the Department of Defense and other phases of the program.

"On the other hand, there is pressure upon the Congress, and upon the executive agencies responsible for administering this program to extend it in what is deemed to be irrelevant directions. There was introduced, for example, in the 83d Congress a bill (H.R. 7237) intended to make 4-H clubs eligible as donees to receive property for the construction, equipment, and operation of camps and centers and a further bill which would include volunteer fire departments and rescue squads as eligible donees.

"Furthermore, one of the national organizations of American cities, the American Municipal Association, by letter and in staff conference, has appealed to this task force to include in its recommendations a change in the law to make local governments eligible for donations of Federal surplus personal property. The mayor of the city of New York has also written the task force chairman in similar vein. The adoption of this proposal would require the establishment of a priority system and would greatly complicate the administration of the program. The various systems of priority established by the Congress in the Surplus Property Act of 1944 proved to be an almost insuperable impediment to an orderly disposal program by War Assets Administration and the predecessor disposal agencies. They resulted in long delays, vast paperwork and procedures, and administrative costs which in many cases exceed the disposal revenues. If the cities and counties were eligible for donations, it would be necessary to determine whether the State or the local government has the first priority. Since the cities and counties are numerous within each State, there would also be required some formula, difficult to administer and impossible of achievement, whereby the allocations could equitably and satisfactorily be made.

"It is believed that the program should continue to be confined to State educational and public health activities, and that other branches of the State government, and the cities and counties through their national organization, should arrange to get on the bidders' list when items in which they are in need are available for disposal; and that they should be accepted as competitive bidders along with private interests * * *."

Task force recommendation

"That the Congress continue to confine the program to State educational and public health institutions and to educational organizations of special interest to the Department of Defense."

Bureau of the Budget

The following letter has been received by the Chairman of the Committee, from the Bureau of the Budget, which sets forth the views of the Federal Government on these proposals, specifically on the bill, S. 1210, since Staff Memorandum No. 86-1-23 was released.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
May 14, 1959.

MY DEAR MR. CHAIRMAN: This is in reply to your request for report on S. 1210, a bill "To amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus property to volunteer firefighting organizations, and for other purposes."

We believe it inadvisable to enlarge the number of organizations or purposes for which surplus property may be donated. You may recall that the Government has had very unsatisfactory experience in the past under statutes authorizing donations for many different purposes. In 1949 those statutes were repealed because it had been found that the numerous claimants caused surplus property to remain in warehouses at Government expense for long periods, sometimes even for years, while first one group and then another examined the lists of available surplus. In the end, most of the property was not wanted by any group and had to be sold. In such instances the losses due to damage and deterioration of stock and the added costs of warehouse space, care and handling, and administration seemed unjustified. The laws were repealed in order to speed up, simplify and make less costly the task of surplus property disposall. We have, therefore, generally opposed bills proposing to expand the donation program to include such purposes and institutions as mosquito control districts, municipal water and gas systems, 4-H clubs, municipal governments and scientific and research organizations. For the same reasons we oppose extending the program to firefighting organizations as proposed in S. 1210.

We have not questioned the worthiness of these purposes but have recommended to your committee and to the House Committee on Government Operations that, in view of the serious administrative difficulties involved, any further expansion of the donation program should be supported only for major purposes which are compelling in the national interest and which are not primarily local responsibilities.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

GLENN K. SHRIVER,
Professional Staff Member.

Approved:

WALTER L. REYNOLDS, *Staff Director.*

SENATE COMMITTEE ON GOVERNMENT OPERATIONS,
July 20, 1959.

Staff memorandum No. 86-1-42.

Subject: Bills providing for expansion of the surplus property donation program—Supplement to staff memorandum 86-1-23, dated May 13, 1959.

Since the release of staff memorandum 86-1-23 the chairman of the committee has received several communications containing views, comments and recommendations on the bills providing for expansion of the surplus property donation programs. All such measures were referred to a special subcommittee (Senators Gruening, chairman, Muskie, and Capehart) at an executive session of the committee held on June 18, 1959.

For the information of members of the committee, there is submitted herewith a report received from the Department of Health, Education, and Welfare (which administers the donable property program for health and education), on four of the bills now pending before the special subcommittee created for consideration of these and certain other related bills:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
July 17, 1959.

Hon. JOHN L. McCLELLAN,
*Chairman, Committee on Government Operations, U.S. Senate,
Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in response to your requests for reports on the following bills:

S. 1018, to authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work, and for other purposes,

S. 1210, to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus property to volunteer firefighting organizations, and for other purposes,

S. 1365, to amend the Federal Property and Administrative Services Act of 1949 to authorize the disposal of surplus property to certain welfare agencies,

S. 1766, to amend the Federal Property and Administrative Services Act of 1949 to permit the donation and other disposal of property to tax-supported public recreation agencies.

These bills provide for the donation of Federal surplus personal property to specified classes of organizations and activities in addition to those now specified in the law. They would do so by extending to additional categories of organizations and activities—most of which are not in the field of health or education—the present donation program under section 203(j)(3) of the Federal Property and Administrative Services Act of 1949, under which such property is allocated by this Department for donation to specified categories of organizations in the fields of health and education. S. 1018 would establish a donation program side by side with, and independent of, the section 203(j)(3) program, and would for that purpose confer on the Secretary of Agriculture the same allocation function as is vested in this Department for the purposes of the section 203(j)(3) program.

S. 1766 would also amend section 203(k)(1) of the Federal Property and Administrative Services Act of 1949 so as to authorize the transfer of surplus real property by this Department for certain purposes and organizations not now specified in the act.

For the reasons stated below, we do not favor enactment of any of these bills.

1. Personal property

Under section 203(j) of the act, Federal surplus personal property determined by this Department to be usable and necessary for educational or public health purposes, including research, may be donated by the Administrator of General Services through State surplus property distribution agencies to tax-supported or nonprofit tax-exempt medical institutions, hospitals, clinics, health centers, school systems, schools, colleges, and universities. Under a recent amendment (Public Law 655, 84th Cong.), surplus personal property usable and necessary for civil defense purposes may in like manner be donated to civil defense organizations of States or political subdivisions and instrumentalities thereof. With respect to both of these programs—by delegation from the Federal Civil Defense Administration in the latter case—such property is allocated among the several States by this Department, although within the several States distribution to eligible activities and organizations is made by the State distribution agencies subject to basic Federal regulations and standards.

Also, surplus personal property under the control of the Defense Department which is determined by the Secretary of Defense to be usable and necessary for "educational activities which are of special interest to the armed services"—a phrase which has been very broadly interpreted—may be donated for such activities pursuant to allocation by the Secretary of Defense. Such defense-related donations are given priority over donations under the other two programs.

In addition, under broad statutory authority for cooperative activities, and working in conjunction with the General Services Administration, the Department of Agriculture makes transfers of excess Federal property to soil conservation districts and to State forest fire protection units, and the Department of Interior transfers excess Federal property to State highway departments. These transfers since they are made without first declaring the property to be "surplus" in the technical sense, also have priority over the donations of surplus property for health, education, and civil defense.

These bills would add to the eligible list for disposal of Federal surplus property such organizations as agencies engaged in cooperative agricultural extension work, volunteer fire-fighting organizations, and certain tax-supported or tax-exempt welfare or recreation agencies.

It may be noted that fire-fighting organizations which have been officially designated as civil defense units by a State civil defense agency are currently eligible to receive personal property for uses related to the purposes of the civil defense program, including civil defense training. And, as respects the proposal of S. 1018 (relating to agencies engaged in cooperative agricultural extension work in accordance with the act of May 8, 1914, as amended, 7 U.S.C. 241-348), attention is invited to the fact that colleges and universities engaged in such work are eligible under the present section 203(j)(3) donation program.

The enumeration of activities and organizations now proposed to be added to present eligible categories by the bills covered in this report, and the fact that still additional categories would be added by a number of bills pending in the other House, highlight two important considerations:

In the first place, Congress, in the Federal Property and Administrative Services Act of 1949, abolishing the complex system of priorities for surplus property disposal existing under the Surplus Property Act of 1944, and limited donations of surplus property to educational activities and, later, public health activities, carried on by certain types of organizations. It was recognized that that system of priorities had proved to be an almost insuperable impediment to an orderly disposal program, and had resulted in long delays, vast paperwork and procedures, and administrative costs which in many cases exceeded the disposal revenues. It seems clear that the additional adoption of the proposals now pending would again require the establishment of a priority system and would greatly complicate the administration of the program. Such a system would also delay the orderly disposition of surplus property and would substantially increase administrative costs.

The complexities and delays involved in such proposals would, moreover, be even greater if, as proposed in S. 1018, an additional system of allocation of property for donation, to be administered by the Secretary of Agriculture, were

to be established side by side with the one now administered by this Department. It is true that parallel allocation functions are now vested by law in the Office of Civil and Defense Mobilization for the purpose of donations for civil defense, but these provisions were enacted only because of the overriding considerations of national security involved in that program, and then only with the understanding that operating responsibilities under that program would be delegated to this Department, which has in fact been done, so that the two programs are very largely integrated in actual Federal and State administration.

In the second place—as is demonstrated by the present list of proposals for extension of eligibility under the donation program to new organizations and activities, and by the even larger list pending in the House which includes a proposal for authorizing donations to municipalities for municipal purposes generally—any proposal for an extension immediately raises the question of extension to other activities and organizations equally deserving, not only to health and educational organizations not yet eligible—e.g., nurseries, libraries, institutions (other than those now listed in the law) engaged in scientific research, museums, etc.—but also to activities of public or nonprofit organizations in the welfare field or in other public-purpose fields indicated by these and other bills. Hence, either the gates would have to be thrown wide open without limitation, thus diluting the program so as to be of little benefit to any one, or new lines would have to be drawn which would be difficult to justify on grounds of equity and for that reason difficult to hold.

Even with an increasing amount of surplus property becoming available, State agencies for surplus property continue to report that the volume is not sufficient to meet the needs of organizations currently eligible. This is particularly noticeable with respect to common-use items which are needed by present eligibles and which would also be desired by the organizations now seeking eligibility. Under these circumstances, an increase in the number of eligibles would inevitably lead to substantial competition for the common-use items, and would minimize the benefits of the program to present eligibles. In view of continuing national emphasis on the importance of education, health, and defense, such a dilution of the program would be difficult to support.

In this connection, it is important that the extent of present eligibility be fully understood. In the field of education, there are more than 55,000 school districts or systems. Taking into account the individual public schools in these systems and the private nonprofit and tax-exempt schools, there are more than 126,400 elementary schools and 16,300 secondary schools. Added to this are more than 1,900 institutions of higher education, making a total of more than 144,600 educational entities currently eligible. In the field of public health, there are more than 6,800 eligible hospitals. In civil defense, there are more than 123,000 units of State and local government which would qualify to receive surplus property. This brings the total of eligible units to more than 274,400.

All of these considerations militate strongly against any of the extensions of the personal property disposal program proposed by these bills.

2. Real property

Section 203(k)(1) of the act authorizes this Department, with the approval of the Administrator of General Services, to dispose of surplus real property which is suitable for schools, classroom, or other educational use (including buildings, fixtures, and equipment situated thereon), to the States and their political subdivisions and instrumentalities and to tax-supported and other nonprofit tax-exempt educational institutions, and likewise to dispose of real property for public health use to the States and their political subdivisions and instrumentalities and to tax-supported and other nonprofit tax-exempt medical institutions, hospitals, and similar institutions. In fixing the disposal value of real property to be transferred under this provision, we are directed to "take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any such State, political subdivision, instrumentality, or institution." In practice, under our regulations, this public benefit allowance has ranged from 40 to 100 percent.

S. 1766 would extend this program to tax-supported public recreation agencies of States or political subdivisions of a State.

The above-described provisions of section 203(k)(1) of the act, and the organizations and purposes to which they apply are, as regards real property, essentially the same as they were in the Surplus Property Act of 1944. Under the earlier act, for purposes other than health or education, State and local public

agencies and various tax-exempt nonprofit organizations had certain priorities but had to pay fair value for realty, without public benefit allowance. It is significant that in enacting the 1949 act, the Congress, in the light of experience had under the 1944 act, chose not to extend the public benefit allowance feature to purposes other than those of an educational or of a health character, but eliminated the priorities for other public and nonprofit activities which had been established under the 1944 act.

We cannot recommend the enlargement of the real property disposal provision recommended by the present bill.

In the first place, what we have said above with respect to the difficulty of drawing an appropriate line in attempting any extension of eligibility under the existing section 203(j) program applies to real property as well as to personal property. To single out tax-supported public recreation agencies and their activities for additional inclusion under section 203(k)(1) would not solve alleged inequities but would create new claims of inequity as between them and other organizations equally worthy.

Moreover, it should be noted that communities already benefit in many ways from this program in the fields of education and health; that they continue, under section 13(g) of the Surplus Property Act of 1944, to be eligible for the donation of property for airport purposes; and that tax-supported public recreation agencies are now eligible to receive, under section 13(h) of the Surplus Property Act of 1944 which is still in force, conveyances of surplus land, including improvements and equipment located thereon, which the Secretary of the Interior finds to be suitable and desirable for use as a public recreational area, though such conveyances may be made only at a price equal to 50 percent of the fair value of the property.

In conclusion, we recommend against enactment of any of the aforementioned bills. We have, therefore, not analyzed these bills from the point of view of their technical adequacy nor have we explored the question whether, in the event of the enactment of these bills, some of which involve activities outside the field of interest of the Department, administration of the donation and disposal program for surplus property by this Department would still be appropriate.

The Bureau of the Budget advises that it perceives no objection to the submission of this report to your committee.

Sincerely yours,

ELLIOT L. RICHARDSON, *Acting Secretary.*

The Bureau of the Budget, General Accounting Office, and the General Services Administration have submitted separate reports on some of these bills, together with specific recommendations on bills pending before the subcommittee. As a general rule, these agencies oppose adding any additional eligible donees to receive surplus property on the premise that the enactment of such measures would;

- (a) reduce the amount available for health, education, and civil defense;
- (b) require the establishment of an elaborate priority system;
- (c) increase the cost of administration, delay the disposal of property, and cause competition among donees;
- (d) create a situation where every public, private, or quasi-public body would seek equal consideration and as a result no limit or end could be established; and
- (e) increase the likelihood of misappropriation of public property, lack of accountability, and abuse.

GLENN K. SHRIVER,
Professional Staff Member.

Approved:

WALTER L. REYNOLDS, *Staff Director.*

Senator GRUENING. The first witness this morning is Mr. J. H. Macomber, Jr., General Counsel of the General Services Administration.

Mr. Macomber, will you kindly come forward and present your testimony?

STATEMENT OF J. H. MACOMBER, JR., GENERAL COUNSEL, GENERAL SERVICES ADMINISTRATION, ACCOMPANIED BY JAMES A. GARVEY, ASSISTANT COMMISSIONER, UTILIZATION AND SALES, FEDERAL SUPPLY SERVICE; AND ROBERT T. DAVIS, LEGISLATIVE LIAISON OFFICE, GSA

Mr. MACOMBER. Mr. Chairman, with me is Mr. James A. Garvey, Assistant Commissioner, Utilization and Sales, Federal Supply Service of GSA, and Mr. Robert T. Davis, of our Legislative Liaison Office.

We appreciate the opportunity, sir, to participate in these hearings and inform your committee of the position that the General Services Administration feels it must take on the following bills which would extend the existing authorization for donation of surplus property to cover various other special activities and organizations: S. 155, S. 1018, S. 1210, S. 1365, S. 1766, S. 2103, S. 2244, and S. 2367.

Donations of Government-owned surplus property for educational, public health, and civil defense purposes are now authorized by section 203 (j) and (k) of the Federal Property and Administrative Services Act of 1949, as amended.

The donation of surplus real and personal property for health and educational use was originally authorized at the end of World War I. At the end of World War II, the Surplus Property Act of 1944 was enacted. This law authorized continuation of this program and the sale of Government-owned surplus property to various other groups at a discount or on a preferential basis, which resulted in the establishment of a complex system of priorities and preferences. The enactment of the Federal Property and Administrative Services Act of 1949, as recommended by the first Hoover Commission, and amendments thereto, repealed various laws and parts of laws providing for priorities and preferences, but the provisions for education were re-enacted as section 203 (j) and (k) as stated above. About 2 years later, the provisions for health were reenacted—added to 203 (j) and (k). Section 13 (d), (g), and (h) were saved from the general repeal of the Surplus Property Act. The Federal Property and Administrative Services Act of 1949, as amended, was further amended on July 3, 1956, by Public Law 84-688 to provide for the donation of surplus property to State and local civil defense activities.

The bills being considered by your subcommittee today are among a number of others which have been introduced in this and previous sessions of the Congress for the purpose of extending the existing authorization for donation of surplus personal property, or surplus real and personal property, to cover various special activities and organizations. Notwithstanding how worthy may be the objectives of these special activities and organizations, the General Services Administration has consistently opposed the enactment of legislation of this nature.

The enactment of such legislation would impede the handling of surplus property by the Government and introduce new elements of cost for the Government to pay. Specifically, it would (1) delay the disposal of unneeded Government property while competing claims of individual agencies are being considered, with additional cost accruing to the Government for maintenance and storage of the prop-

erty and attendant administrative tasks, and (2) complicate the disposal of surplus property by introducing competition for available property between individual agencies or organizations and other claimants on behalf of education, public health, and civil defense activities. This, we believe, will present a recurring problem likely to engender ill will and create still further delays in warehouse clearance. Also, further extension of the existing authority for the donation of surplus property would be an open invitation and literally hundreds of other worthwhile organizations would then seek recognition and thereby defeat the orderly disposition of surplus property for educational, health, and civil defense purposes.

In view of the foregoing, the General Services Administration feels it must place on the record its opposition to the enactment of these bills.

That completes my formal statement, Senator. We will endeavor to answer any questions you have.

Senator GRUENING. Well, it is quite clear you oppose all these bills. It would seem to me there was some room for flexibility, and that there are other activities besides the important ones of education and health and civil defense which might reasonably expect to share some of the surplus property. Certainly there are a good many fields which would not, in my view at least, interfere with a reasonable allocation of surplus to these agencies.

It has been suggested to me you have in mind, or there is under consideration some legislation which is to be sent up by the GSA, is that correct, on this subject—any of these subjects?

Mr. MACOMBER. We have been studying this problem for some time. In fact, we are studying it continuously. But, at the present time, we do not have any recommendations to bring before the committee.

Senator GRUENING. Mr. Davis, do you want to comment on that?

Mr. DAVIS. Mr. Chairman, in our report to your committee on bills pertaining to libraries and firefighting departments, we have made the statement that General Services Administration has under consideration the question as to whether it would be advisable and in the public interest to extend the existing authorization for donation of surplus property beyond education, public health, and civil defense, to cover certain additional activities and organizations. Should we, some time in the future, decide to recommend a limited extension of the authorized area for donation of surplus property, the proposed legislation might include as an additional class of donee, tax-supported libraries and voluntary firefighting departments or organizations. But that is still in the study stage, Mr. Chairman.

Senator GRUENING. In other words, there is an element of doubt in your mind whether your agency might or might not agree to extend the breadth of this allocation of surplus property?

Mr. DAVIS. That is being studied. The most would be, perhaps, libraries, to tie in with education, and perhaps voluntary firefighting organizations in connection with civil defense.

Senator GRUENING. Let me ask you this. What procedures do you now have for determining the priorities between health, education, and civil defense?

Mr. MACOMBER. Mr. Chairman, the Department of Health, Education, and Welfare makes those determinations by statute with re-

spect to health and education, and, as I understand it, by arrangement with the Office of Civil and Defense Mobilization with respect to civil defense.

Senator GRUENING. Is it your personal opinion that giving all these powers to one department of Government is wise administratively?

Mr. MACOMBER. You mean as to making the determination, Senator?

Senator GRUENING. Yes.

Mr. MACOMBER. Yes; we believe that it is almost necessary that there be some single agency that makes the determinations.

Now, Mr. Garvey is in the operating end. Perhaps he would like to comment on that.

Senator GRUENING. Well, why is the Department of Health, Education, and Welfare qualified to determine the needs of civil defense?

Mr. GARVEY. Mr. Chairman, the Office of Civil Defense has come up with a plan as to what it thinks its needs are, together with the procedure as to how those needs are to be met. Now, the Department of Health, Education, and Welfare is simply administering this program within the framework of that instruction from OCDM.

Senator GRUENING. Mr. Davis, have you any opinion on the advisability of taking surplus property outside of the continental United States, as is proposed in one of these bills?

Mr. DAVIS. Mr. Chairman, we have furnished your committee this morning, GSA's report on that bill, S. 2198.

Senator GRUENING. Would you be kind enough to give us the highlights of your views? Having just received them, we have not had time to digest them.

Mr. DAVIS. Mr. Chairman, I have a copy of the GSA's report which we delivered to your committee this morning. Shall I read the report?

Senator GRUENING. I think it would be well.

Mr. DAVIS (reading):

Your letter of June 26, 1959, requested a report by the General Services Administration on S. 2198, to amend the Federal Property and Administrative Services Act of 1949, which would authorize American educational organizations eligible for donations of surplus personal property to transport such property overseas, after acquisition. The bill would amend section 203(j) of the Federal Property and Administrative Services Act of 1949. This section, as originally enacted in 1949, authorized donations "for educational purposes in the States, Territories, and possessions." By Public Law 754 of the 81st Congress, this authorization was extended to include donations for public health purposes "in the States, Territories, and possessions." The limitation for the use of donated property within the States was strengthened by the amendments to section 203(j) made by Public Law 61 of the 84th Congress, approved June 3, 1955, and Public Law 655 of the same Congress, approved July 3, 1956, respectively, precluding the transfer of surplus personal property until receipt of certification by a State agency that the property is usable and needed in the State and prohibiting the transfer of such property except to the State agency designated under State law for the purpose of distributing all property allocated under section 203(j) for use within such State.

In all of such legislation concerned with section 203(j) the concept of according benefits to the States by the use therein of surplus property has been maintained. S. 2198 would depart from this concept and permit surplus property acquired under State auspices to be used for purposes abroad. It is for this reason that the General Services Administration is opposed to the enactment of this bill. It is believed, also, that the exception proposed by S. 2198 would, if the bill were enacted, operate as an invitation to other organizations receiving donable property to seek legislation to cover their particular foreign activities, and that the end result would be to complicate the orderly procedures

for the handling of surplus property now established pursuant to current legislation.

The nature of this legislative proposal is such as to make impossible any firm estimate by us of the probable cost attributable thereto.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

That is our report, Mr. Chairman.

Senator MUSKIE (presiding). Thank you, Mr. Davis, for your statement. I understand this completes the testimony of General Services Administration on all of these bills? Did you want to comment on any of the others in greater detail?

Mr. MACOMBER. Mr. Chairman, Mr. Roos, of Public Buildings Service, is here and prepared to comment, if the committee wishes to hear him at this time on the bill relating to transferring real property for wildlife purposes. That is in a somewhat different category from these bills.

Senator MUSKIE. S. 2270 and S. 2103. Yes, we would be very happy to have his testimony.

Mr. MACOMBER. Before he comes forward, Mr. Chairman, may I also mention that while I did not list S. 2043 in my formal statement, our position with respect to that bill would be the same as our position with respect to the other bills expanding the donations program.

Senator MUSKIE. I am sorry I was not here to listen to your initial statement, but, as I understand your general position—and I wish you would correct me if I am in error here—I would like to clarify my understanding now before we go on with other presentations by you. As I understand your position, you feel that there is a limit to the amount of Federal property—the amount of surplus property available, and that too much competition for it will result in a minimum benefit to use one of the uses. And, secondly, adding to the list of recipients, would overcomplicate the administration of the program. Are those the two basic objections?

Mr. MACOMBER. Yes, sir. The type of property that is potentially donable is, generally speaking, being taken up in the donation program at the present time. So that expansion of the eligible donees would serve only to dilute the distribution of the property that is susceptible to donation. And, secondly, that by so doing, it would complicate the procedure and add materially to the expense of the program, through the delay, additional storage charges resulting from delay, and through the additional administrative tasks of deciding between competing claimants.

Senator MUSKIE. Is the entire program at the present time funneled through appropriate State agencies?

Mr. MACOMBER. Yes, sir.

Senator MUSKIE. In each State is there now a single agency in charge of the program?

Mr. GARVEY. Yes, sir.

Senator MUSKIE. That has been established?

Mr. GARVEY. That has been established.

Senator MUSKIE. For awhile there were more than one, is that so?

Mr. GARVEY. I am not acquainted with that, sir. At the present time, there is in each State a agency for surplus property, which deals with eligible donees.

Senator MUSKIE. Am I correct in my understanding that in recent years the only addition to the program of recipients, of beneficiaries, was the civil defense program?

Mr. GARVEY. That is right. That is the latest piece of donation legislation.

Senator MUSKIE. I wonder if you are prepared this morning to give us any idea of the inventory of potentially donable material that you have available, and the trends with respect to the size of the inventory—from what source is it derived?

Mr. GARVEY. The bulk of the excess and surplus property, of course, Mr. Chairman, comes from the Department of Defense. I can give you a picture of how much property has been approved by GSA for donation for educational, public health, and—beginning in 1956—civil defense over the course of 7 or more years in terms of the cost to the Government in acquiring that property.

Senator MUSKIE. That is acquisition cost?

Mr. GARVEY. Yes, sir. Suppose I start in 1951, at which time about \$12 million was approved for donation. In 1952, it jumped to slightly more than \$21 million; 1953, \$58 million; 1954, \$99 million; 1955, \$130 million; 1956, \$194 million; 1957, \$212 million; 1958, \$289 million. And this year, it went to slightly more than \$361 million.

Senator MUSKIE. What percentage of that is real property and what percentage is personal property?

Mr. GARVEY. That is all personal property. It does not include real estate.

Senator MUSKIE. Do you have any figures on the real property?

Mr. MACOMBER. I am sure, Mr. Chairman, that we have the figures. Unless Mr. Roos has them, we wouldn't have them here. We would be glad to furnish them for the record.¹⁴

Senator MUSKIE. If you will supply that, we will put it in the record later on.

The trend is upward?

Mr. GARVEY. Donations have been growing, sir—as, of course, has the available property from which to make selection. The amount of surplus available has been going up correspondingly.

Senator MUSKIE. Can you identify this property by source?

Mr. GARVEY. As to whether it went to one eligible donee as opposed to another?

Senator MUSKIE. The source of the surplus.

Mr. GARVEY. The bulk of this property, sir, came from the Department of Defense. My guess would be greater than 90 percent of it came from the Department of Defense.

Senator MUSKIE. Is this a reflection of World War II and Korean conflict surpluses, or is this a continuing source of surplus?

Mr. GARVEY. Well, there are probably a number of reasons why the amount of surplus property has been increasing in recent years. I could give you my view of it, but the Department of Defense is here this morning and they could probably give you a more cogent statement as to why it is going up. We are getting more property in excess and in surplus status as the Department of Defense has changed its property patterns due to technological advances or changes in the

¹⁴ The information is shown on pp. 237-239.

military missions. The annual procurement program of the Department of Defense for materials, equipment and supplies is extensive, so it is logical that a certain amount of property is going to be replaced and be washed out of the program. There may be several other as good, if not better, reasons why. But the available property from which to select has been greater in recent years, and that accounts, in part at least, for the augmentation of the donation program in terms of the amount of property channeled for donable purposes.

Senator MUSKIE. Is the program pretty much on an income-outgo basis now, or are you cutting into backlogs in supplying surplus material?

Mr. GARVEY. I am not sure I understand the question, Mr. Chairman.

Senator MUSKIE. Well, I think a lot of people are under the impression that you are still disposing of surplus built up as a result of recent wars. I understand from what you said now the Department of Defense and other departments are a continual source of surplus material.

Are you getting the surplus material at the same rate you are turning it over to these various beneficiaries, or are you cutting into some backlog inventory of surplus materials?

Mr. GARVEY. Our estimates are that the present volume of surplus property, some 8 billion last fiscal year, will continue or be exceeded for several more fiscal years.

Senator MUSKIE. That is outgo or income?

Mr. GARVEY. That is the property that becomes surplus to the Government's needs.

Senator MUSKIE. Is the present level of about \$300-odd million a realistic projection of what you can expect?

Mr. GARVEY. Our belief, sir, is that the volume of the property used for donable purposes will increase.

Senator MUSKIE. Above the present \$300-odd million?

Mr. GARVEY. Yes. And we think so because fundamentally part of this increase is due to the fact that we are better organized—we, the Department of Health, Education, and Welfare, the State agencies themselves, are better organized and better equipped to claim this property for donable purposes than we were before. In other words, I am attributing part of this growth to improvements in our own systems, and in our total capability for doing the job.

We don't believe—and I think the Department of Health, Education and Welfare will support us in this, and so will the State agencies—that we have come anywhere near satisfying education, public health, and civil-defense needs out of surplus property. In other words, there is much more opportunity, and there is greater need than we have satisfied. And so what we are trying to do is to make the maximum use out of the property for these purposes.

Senator MUSKIE. Is the Department of Defense still the source of as much as 90 percent of the surplus?

Mr. GARVEY. Yes, sir.

Senator MUSKIE. What other departments contribute?

Mr. GARVEY. The total volume of surplus property outside of the Department of Defense I wouldn't guess amounts to more than \$75 million.

Senator MUSKIE. Outside of the Department of Defense?

Mr. GARVEY. Yes, sir.

Senator MUSKIE. Well, that is more than 10 percent.

Mr. GARVEY. That figure is more than 10 percent, sir, of the acquisition cost of donated property; but I am talking about property which becomes surplus to the Government, and is either donated or sold. The Department of Defense generates more than 90 percent of such property. The other agencies, the civil agencies of Government, generate a very small proportion.

Senator MUSKIE. Does the surplus property available from the Department of Defense include arms of any kind?

Mr. GARVEY. Yes, sir; we have donated some firearms through OCDM for use in civil defense work. These are generally small arms.

Senator MUSKIE. Have you donated to local law-enforcement agencies?

Mr. GARVEY. These have been issued through civil defense and put through the local law enforcement as a means of control.

Mr. REYNOLDS. Mr. Davis, didn't you have some proposal where you might extend this to authorize the donation to State law-enforcement agencies and several institutions of small arms that are now surplus, for which you do not now have proper avenues for distribution?

Mr. DAVIS. Mr. Reynolds, as I previously testified, GSA has under consideration the question as to whether it would be advisable and in the public interest to extend the existing authorization for donation of surplus personal property beyond education, public health, and civil defense to cover certain other activities and organizations. Now, should GSA some time in the future decide to recommend a limited extension of the authorized area for donation of surplus personal property, the proposed legislation might include as an additional class of donee tax-supported libraries to tie in with education, volunteer firefighting organizations to tie in with civil defense, and penal institutions and local law-enforcement agencies in connection with the disposal of surplus small firearms.

Senator GRUENING. Thank you very much.

Mr. Roos, would you come forward, please?

**STATEMENT OF CURTIS A. ROOS, DIRECTOR, DISPOSAL DIVISION,
PUBLIC BUILDINGS SERVICE, GENERAL SERVICES ADMINISTRATION,
ACCOMPANIED BY PAUL J. ANDREWS, OFFICE OF GENERAL
COUNSEL, GENERAL SERVICES ADMINISTRATION**

Mr. Roos. Thank you, Mr. Chairman. I have with me Mr. Paul J. Andrews, of the Office of General Counsel, General Services Administration.

We appreciate the opportunity to appear before the committee in favor of this bill, S. 2270, which is a part of the legislative program of the General Services Administration for 1959. We believe this bill will improve the administration of transfers of certain real property for wildlife or other purposes by repealing the act of May 1, 1948, and incorporating the essential provisions in the Federal Property and Administrative Services Act of 1949, as amended.

The act of May 1, 1948, which is commonly referred to as Public Law 537, authorizes the transfer of real property which is under the

jurisdiction or control of a Federal agency and no longer required by such agency to States without reimbursement for the conservation of wildlife other than migratory birds, and to the Department of the Interior without transfer of funds for carrying out the national migratory bird management program, provided that such property can be utilized for wildlife conservation purposes, that it is chiefly valuable for such purposes, and that it is available for transfer. Such transfers to other than the United States are subject to the reservation by the United States of all oil, gas, and mineral rights, and in the event the property is no longer used for the purpose intended, or is needed for national defense purposes, title shall revert to the United States.

Now, our primary reason for the proposal to repeal Public Law 537 and incorporate its essential provisions in the Federal Property and Administrative Services Act of 1949, as amended, is to bring disposals of property for wildlife purposes under the general disposal authority of the latter act. Such consolidation will permit the application of appropriate concomitant authority in the latter act, as well as the application of general agency relations issued thereunder, to wildlife property transfers. The result will be a more simplified, economical, and efficient disposal operation for this particular category of surplus real property.

We believe that Public Law 537 requires clarification in other respects—in the first place, the act does not specify who is to determine that a property can be utilized for wildlife conservation purposes. It is proposed that the Secretary of the Interior make this determination inasmuch as the Fish and Wildlife Service of the Department of the Interior is cognizant of the requirements in this area and has working relationships with the State agencies exercising administration over wildlife resources.

Secondly, the act does not specify who is to determine that a property is chiefly valuable for wildlife purposes. The Administrator of General Services, as the Government official charged with the responsibility and authority for disposal of surplus real property of all classification, is best qualified to determine the chief value of property for any particular purpose, including use for wildlife purposes.

In addition, Public Law 537 requires a determination by the Administrator of General Services, as successor to the War Assets Administrator, that the property is available for use for wildlife purposes. We believe that such determination is not necessary since property no longer required by a Federal agency having jurisdiction or control of that property is first screened as excess property by GSA, becomes surplus property if there is no requirement for it by another Federal agency and, therefore, is available for wildlife conservation and other purposes at the time disposal action is taken.

In the absence of a clear delineation of authority previously, past disposals of property, pursuant to Public Law 537, have been accomplished in accordance with the procedures which we herein recommend and have presented no problems.

Subsection (2) of section 203(p), a part of the proposed amendment to the Federal Property and Administrative Services Act of 1949, as amended, includes all of the reservations and conditions appearing

in Public Law 537, together with appropriate amendments and additions thereto which permit a greater safeguard of the interests of the United States. For example, it is felt advisable to reserve to the United States oil, gas, and mineral rights in the transferred realty only when the Administrator of General Services determines that such reservations are in the interest of the Government. It is also felt advisable that such reservations should not be carried on Government records as assets when, in fact, their productive potential is negligible.

Once disposal action has been taken by GSA, it is essential that the reservations or restrictions imposed on the transferee be policed to enforce compliance therewith. Public Law 537 is silent on who would accomplish this. Since the Fish and Wildlife Service of the Department of the Interior, for the reasons stated above, has the primary continuing interest in such wildlife property, our bill would amend subsection (C) of section 203(k)(2) of the act to require that the Secretary of the Interior enforce compliance with, as well as refer, correct, or amend and grant releases from the terms, conditions, reservations, and restrictions contained in such transfers.

With the incorporation of the substantive provisions of the Public Law 537 into the Federal Property and Administrative Services Act of 1949, as amended, efficient administration thereof requires that the publication requirement of section 2 of Public Law 537 be dispensed with and that the reporting requirements of section 3 of Public Law 537 be superseded by the GSA reporting requirements for all surplus property disposals.

That completes my statement, Mr. Chairman. I would be happy to answer any questions, if I can.

Senator GRUENING. Well, thank you very much, Mr. Roos.

Have you any questions, Senator?

Senator MUSKIE. As I understand it, basically what you are trying to clarify and simplify is the procedure for handling this problem.

Mr. Roos. That is right, sir.

Senator MUSKIE. And you bring the Secretary of the Interior into the picture more substantially than he is under present law.

Mr. Roos. More substantially than he is. Not more substantially than we have previously operated, but more substantially than is stated in the present law, or provided for.

Senator MUSKIE. So that really this proposed amendment simply writes into law your current practices?

Mr. Roos. That is right, sir.

Senator MUSKIE. I would be interested, because of our previous preoccupation with the Des Plaines problem, to get a little more comment from you on the meaning of the words "chief value." I gathered from your agency's reaction to that problem that you tend to use dollar value as the chief measure of this language.

Mr. Roos. Well, sir, when Public Law 537 was enacted, the history of the law and the hearings mentions marginal lands. And it is our impression and feeling that the law was primarily meant to apply to marginal lands. However, the Department of the Interior has, on occasions, determined that property which is not marginal land, but which is useful, say, for agricultural purposes, in connection with feeding migratory birds, is also useful under the program. Frankly, I think each case has to be decided on its merits.

Senator MUSKIE. Well, as a practical matter, you couldn't very well use as a basis for measurement the market value for industrial purposes as against the market value for wildlife purposes, could you?

Mr. Roos. That is right.

Senator MUSKIE. Because there is no market value for wildlife purposes generally.

Mr. Roos. That is right.

Senator MUSKIE. So it is a little difficult to come up with a dollar evaluation?

Mr. Roos. The value of the property would be a factor which we would consider.

Senator MUSKIE. Well, I don't envy you the problem of making these evaluations, I assure you. We had one exposure to the problem in the Des Plaines matter, and I don't know that I want to repeat that experience in the early future.

I might ask this one question. Would you want to discuss, at the same time, Senator Bible's bill, S. 2103; although I notice that deals with personal property rather than real estate.

Mr. Roos. I am not prepared to discuss that.

Senator GRUENING. Thank you very much, Mr. Roos.

Mr. Roos. Thank you, sir.

Senator GRUENING. I would like to change the order of the presentation here.

Mr. Callison, would you like to testify at this time?

STATEMENT OF CHARLES CALLISON, NATIONAL WILDLIFE FEDERATION, WASHINGTON, D.C.

Mr. CALLISON. Very briefly, Mr. Chairman, I would like to say we endorse your bill, S. 2270, if it would simplify the procedures for the determination of surplus real property as being chiefly valuable for wildlife.

Senator MUSKIE. Is there any objection to Senator Gruening's bill, S. 2242?

Senator GRUENING. Well, that is another matter.

Senator MUSKIE. You simply want to become a State in all respects.

Senator GRUENING. That is correct. Our problem there is the difficulty of transporting some of the surplus property into the smaller States—makes it much more practical that some of it be left there.

While we have you, Mr. Callison, on the witness stand, there is another bill here, Senator Bible's bill, S. 2103. Would you like to speak on that?

Mr. CALLISON. Yes. There also very briefly to say that the National Wildlife Federation believes that conservation of wildlife resources is sufficiently important in the public interest to merit its consideration as a recipient of donable property.

As Senator Muskie has pointed out, wildlife conservation—and when I use the word "wildlife," I include fisheries also—is not in the main a commercial enterprise, and it is very difficult to place a value on it in terms of dollars and cents. The users of wildlife are primarily hunters and fishermen, although not entirely. Other millions of peo-

ple enjoy wildlife resources for their esthetic and recreational values without using a rod or gun. Those include the many millions who go camping, hiking, and so forth, in the national forests and national parks, and just into the surrounding countryside. A great many people enjoy wildlife in their backyard, watching birds come to a bird bath or a bird feeder. And those very birds are considered and protected under the migratory bird treaty with Canada and Mexico, which is the administrative responsibility of the Federal Government through the Fish and Wildlife Services and the Department of the Interior. They also are the recipient of protection by the warden staffs of the State game and fish departments. I am speaking of the songbird, the nongame wildlife.

Of course, most of the effort and work of the State game and fish departments go into protecting and conserving and producing fish and game for the recreational pursuits of hunters and fishermen. Those hunters and fishermen do not benefit commercially or financially or profitwise in any way from their pursuits. Actually, they spend a great deal more than their license fees which support these programs.

There has been a large degree of cooperation between the Federal Government and the States in fish and wildlife conservation. There are many aspects of that cooperation. Much of the State work is done on Federal lands, for example, particularly in the Western States. And the States assist the Federal Government in the enforcement of waterfowl regulations and other regulations to protect migratory birds. The Federal Government assists the States in research. And then there are two very important programs, known as the Pittman-Robertson program of Federal aid for wildlife restoration, and the Dingell-Johnson program for fisheries restoration, that are financed by Federal excise taxes levied on the equipment used by hunters and fishermen, and then allocated under these laws to the States for fish and wildlife purposes.

In view of that community of interest and cooperation, "partnership" you might say, between the Federal Government and the State game and fish departments, we feel that it would be entirely in order for this additional assistance to be authorized, assuming that the surplus property is there, taking up warehouse space and should be put to use.

So we favor enactment of Senator Bible's bill, as we recommended the enactment of your bill, S. 2270, Senator Gruening.

Switching back again, with your permission, Mr. Chairman, to your bill, I should like to comment briefly, just for the opportunity of getting it into the record here, our feeling that the so-called marginal lands should not be considered as the only kind of land that is chiefly valuable for wildlife.

Senator MUSKIE. Well, don't you get into a reverse problem here, with the adjective "marginal," to that which you get into with the words "chiefly valuable"? Marginal for what? It might be marginal for industrial purposes, but far from that for wildlife purposes. Or it might be marginal for commercial purposes, and very valuable for other purposes. So I neglected to pursue this definition of the word "marginal" with the representatives from GSA. But I don't think the word "marginal" helps you much more than the words "chiefly valuable."

Mr. CALLISON. I don't think it does either. The fact is if you are considering "marginal" from the agricultural standpoint, a great many of the most essential wildlife refuges and wildlife production areas that we have, are by no means marginal in agriculture. Many of the marsh areas that are producing our waterfowl population would if drained be valuable farmland. But once drained, they are not available for wildlife, and you can eliminate the waterfowl populations by pursuing a drainage program to its possible economic end.

So I would question the use of the "marginal" determination as a means of deciding whether or not land is chiefly valuable for wildlife.

Senator GRUENING. I believe those are the two bills that you are chiefly interested in, are they not?

Mr. CALLISON. Yes. I do have a copy of a resolution adopted by the International Association of Game, Fish and Conservation Commissioners, at their last annual meeting held in September 1958, in Philadelphia, which I should like to submit for the record. This resolution recommends the enactment of legislation such as proposed by Senator Bible in S. 2103.

Senator GRUENING. We would be glad to introduce it for the record at this point.

(The resolution referred to follows:)

INTERNATIONAL ASSOCIATION OF GAME, FISH AND CONSERVATION COMMISSIONERS
RESOLUTION No. 15

SURPLUS EQUIPMENT

Whereas the U.S. Government from time to time advertises as surplus to its needs certain types of equipment and supplies; and

Whereas State game and fish departments have not been privileged to apply for such items to use in developing and maintaining wildlife conservation, restoration, and educational projects due to legal prohibitions; and

Whereas the International Association of Game, Fish and Conservation Commissioners assembled at Philadelphia, Pa., in annual convention on September 12, 1958, holds that the fish and game conservation effort is equal in importance to presently approved uses of such equipment: Now, therefore, be it

Resolved, That the International Association of Game, Fish and Conservation Commissioners support action to achieve this purpose and that this organization request legislation in the U.S. Congress or otherwise seek a solution whereby such equipment can be made available to State game and fish departments to use in furthering their wildlife conservation, restoration, and educational objectives.

Senator GRUENING. And I would also like to introduce a statement by Senator Bible on his bill, S. 2103.

(The statement referred to follows:)

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
July 29, 1959.

Hon. ERNEST GRUENING,
Chairman, Special Subcommittee on Donable Property, Committee on Government Operations, U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: Attached is a statement I wish to submit in support of my bill S. 2103, to provide that surplus personal property of the United States may be donated to the States for the promotion of fish and wildlife management activities, which is now before your subcommittee.

Your favorable consideration of this legislation will be greatly appreciated.
Cordially,

ALAN BIBLE.

STATEMENT OF HON. ALAN BIBLE, U.S. SENATOR FROM THE
STATE OF NEVADA

Mr. Chairman, in proposing that equipment and supplies found surplus to the needs of the Federal Government be donable to the States for fish and wildlife management purposes, I have in mind certain aspects of wildlife conservation that in my opinion qualify it for this kind of assistance by the Federal Government.

First, conservation of natural resources benefits the whole public and is essential to the welfare of future generations as well as present-day citizens. Modern game and fish management is based on the scientific principle that only by protecting and improving their habitat can wild animals be preserved or increased. Corollary to this principle is the fact that soil and water conservation are basic in habitat management.

Every project proposed to increase big game herds in the Western States looks first to improving the range and the water supply. The same is true in the East. Every fisheries project depends upon, or is designed to create, an ample supply of unpolluted waters, more fertile waters, or either new or improved water areas provided by reservoir construction and management or by stream improvement. Soil and water conservation that helps insure the future of America is not just a byproduct of wildlife conservation, but an essential part of it.

Secondly, wildlife conservation is a program that is paid for largely by the recreational users of wildlife, the hunters and anglers, through special taxes they have asked Government to impose upon themselves. This is especially true of the State programs. Almost without exception the State wildlife agencies are financed entirely by revenues derived from hunters and fishermen. The State revenues come from hunting and fishing licenses. The Federal aid provided the States under the act of September 2, 1937, and the act of August 9, 1950, comes from the same pockets via excise taxes on sporting arms and ammunition and fishing tackle.

Last year the Federal migratory bird hunting license, commonly known as the duck stamp, was increased by Act of Congress from \$2 to \$3. This increase, as did the original duck stamp levy, had the general support of the Nation's waterfowl hunters.

Thirdly, the sportsmen who foot the bill do not, themselves, benefit materially or financially from the conservation programs they support. They do benefit, of course, in an intangible way, in the health-giving recreation they seek in the forests and fields and on the fishing waters. But millions of other citizens who do not use rod or gun also benefit in the esthetic and recreational enjoyment of wildlife. It is an essential part of the outdoor living that ranks high in the preferred recreation of most Americans. The Federal Government has in many ways recognized the unique values of wildlife resources. Congress has in many acts recognized the broad and diffused benefits to the public of wildlife conservation. Enactment of S. 2103 would be entirely consistent with the conservation record of Congress.

There is still a fourth aspect of wildlife conservation to which I would respectfully call the attention of this committee. It is that since the beginning, the program has depended upon the close cooperation

of the State and Federal agencies. It has always been a partnership program. Under the Migratory Bird Treaties with Canada and Mexico, the Federal Government regulates the harvest of waterfowl and other migratory game birds; but most of the manpower and money spent enforcing the Federal regulations is contributed by the States through their warden services. The Federal Government has established a far-flung system of waterfowl refuges and spent millions developing and maintaining them. But the States have spent other millions acquiring and managing supplemental waterfowl refuges and public shooting areas.

Resident game, on the other hand, is regulated by the States, but much of the resident game management takes place on Federal lands, particularly in the West. Other Federal programs in water development and pollution control, in forestry, and in soil conservation contribute to and assist the States in fish and game management.

The Federal Aid in Wildlife Restoration Act and the Federal Aid in Fish Restoration Act, popularly known as the Pittman-Robertson and Dingell-Johnson Acts, are prime examples of Federal-State co-operation. Through these programs the Federal Government has collected and transmitted to the States more than \$185 million for game and fish work. So it is plain the Federal Government has a tremendous investment in the State programs for wildlife conservation.

For these reasons, Mr. Chairman, I earnestly recommend that if there is Federal equipment and material in surplus that is taking up warehouse space and costing the taxpayers money in storage and maintenance costs, it should be made available to the States under the terms of S. 2103. To let this equipment lie unused is in itself an economic waste, and inconsistent with the true meaning of conservation.

Recently, the Western Association of State Game and Fish Commissioners, meeting at Portland, Oreg., June 29-30 and July 1, endorsed and urged enactment of S. 2103. With the permission of the committee, I submit a copy of the Western Association resolution for the record.

RESOLUTION No. 18 (SURPLUS FEDERAL PROPERTY FOR FISH AND WILDLIFE MANAGEMENT)

Be it resolved, That the Western Association of State Game and Fish Commissioners endorses the legislation proposing to authorize the donation of suitable personal property declared surplus by the Federal Government to the States for fish and wildlife management purposes, and urges the prompt enactment by the Congress of H.R. 7190 as introduced by Congressman Lester R. Johnson, or S. 2103 by Senator Alan Bible, or a similar bill to achieve this purpose.

Adopted by the Western Association of State Game and Fish Commissioners 39th Annual Conference, Portland, Oreg., July 1, 1959.

Senator MUSKIE. I would like to ask Mr. Callison some questions, Mr. Chairman, if I might.

You understand, as I do, the position of GSA, to be that there is not unlimited surplus property, although the amount seems to be growing, available for all of the worthwhile purposes that could be served by it.

I wonder whether in seeking this legislation, the wildlife conservation people were interested in any particular category of personal

surplus category which is available to GSA, or whether you are interested just in the general category of desks and equipment and furniture and so on that could serve almost any purpose?

Mr. CALLISON. Senator Muskie, I think that one of the principal types of surplus personal property that would be highly useful in the fish and game programs may not be in such great demand by the educational and civil defense agencies and public health agencies that are now eligible for donable property. I refer to construction equipment principally, and trucks and automotive equipment.

Senator MUSKIE. I wonder, Mr. Chairman, while Mr. Callison is testifying, if we could have a representative of GSA give us some factual information on the points that we are discussing?

Mr. CALLISON. I don't know that that is so, but it is my own guess—

Senator GRUENING. Mr. Davis, will you come up please?

Mr. CALLISON. That those agencies may not use trucks, automotive equipment, earth-moving equipment, which would be highly useful and important in the programs of the fish and game agencies in constructing lakes, recreational areas, public shooting areas, and so forth.

Senator GRUENING. I wish someone from GSA would respond to the suggestion that Mr. Callison makes, that there is a good deal of equipment, earth-moving equipment and so forth, which might not be needed so much by the other agencies, which at present have priority, and would be useful for the purpose of fish and wildlife preservation.

Mr. DAVIS. Mr. Chairman, Mr. Garvey can speak on that point.

Mr. GARVEY. Mr. Chairman, at the present time there is a greater demand for construction equipment, construction machinery, than the amount generated. We have little trouble placing, for purposes of utilization among the Federal agencies, the construction equipment which we are now getting in excess, so that very little of it is becoming surplus to Government needs. And that which does become surplus to Government needs is generally equipment that is not in good repair, and has to be renovated in order to be used. So that under present circumstances, we could hold little hope of the possibility of channeling this type of equipment to any particular new donable activity.

Senator GRUENING. Which agencies are chiefly seeking this type of equipment?

Mr. GARVEY. Well, we work with the Department of Agriculture in connection with soil conservation, Forest Service activities. We work with the Bureau of Public Roads in connection with State roads activities. We are channeling some of this material by donation through civil defense. So these big needs pretty well take up the relatively small amount of such equipment that at the present time is being generated by the Department of Defense.

Senator MUSKIE. I wish you would list for the record the agencies, the State agencies now, and other agencies, which can legally benefit from this program.

Mr. GARVEY. Shall I list them now, or may I furnish them for the record.

Senator MUSKIE. Would you now—in general, at least—so we could pursue this line of questioning.

Mr. GARVEY. The Department of Agriculture, through two of its particular bodies, the Forest Service and the Soil Conservation Service, take Government material out of excess categories under the Federal Property and Administrative Services Act of 1949, and may, under their own laws, turn it over to State activities for use in accordance with agreements, operating agreements, between the Department of Agriculture and the State activities.

Senator MUSKIE. Now, with respect to that, are there any limitations on the kind of property that they may take?

Mr. GARVEY. There are no legal limitations so far as I am aware, Senator. But as a matter of practice, the type of equipment that goes is the heavy equipment of which this gentleman spoke, because that is the type of equipment that the program needs.

Senator MUSKIE. They are not interested in desks and typewriters.

Mr. GARVEY. The bulk of it is not desks, typewriters, and the other things.

Now, we work with the Bureau of Public Roads, which also takes excess property, and under its own statutes may sell, give, or loan that property to the State roads commissions in connection with the Federal roads programs. So that a great deal of this heavy equipment—most of it is heavy equipment—is channeled through that organization for the use in the States.

Senator MUSKIE. And then through the surplus property program itself, you channel this property to civil defense?

Mr. GARVEY. We channel the property, when it becomes surplus, to civil defense, education, and public health needs in the States, through the State agencies for surplus property with the determination being made by the Department of Health, Education, and Welfare as to need for the property and its applicability to the particular purpose.

Senator MUSKIE. Do the public health needs include State institutions and local institutions, such as mental health hospitals and so on?

Mr. GARVEY. Yes, sir.

Senator MUSKIE. That is in the broad definition.

Mr. GARVEY. Yes, sir, it is the broad definition.

Senator MUSKIE. In general, what categories of surplus property are channeled into these agencies?

Mr. GARVEY. In connection with education and public health, I would say, sir, it runs the gamut. I mean there are thousands of particular items which have proved useful for those purposes. And so the property that is claimed for them cannot be characterized by heavy or light or any other particular classification. They have taken pretty generally what the Government has found to be surplus to its needs and have found use for that property in the States.

The civil defense organization has made up a master list of what it thinks it is interested in, and it, too, is broad in its coverage. But here you find a greater use for heavy equipment than you do necessarily in the other two categories.

Senator MUSKIE. Would it be too difficult to provide for the record the categories of property which are channeled through this surplus property program in these three categories of public health, education, and civil defense?

Mr. GARVEY. If, sir, you would be willing to accept a broad description of categories.

Senator MUSKIE. I think that is all we would be interested in.

Senator GRUENING. Yes; that would be sufficient.

Mr. GARVEY. Fine, sir. We will submit it for the record.

(The information requested for the record follows:)

Categories of surplus personal property that are donated for the following purposes

Categories of property	Educational	Health	Civil defense
Aircraft and components	Yes	No	No.
Helicopters	Yes	No	Yes.
Boats	Ycs	No	Yes.
Marine hardware	Yes	No	No.
Passenger vehicles	Yes	Yes	Yes.
Trailers	Yes	Yes	Yes.
Trucks	Yes	Yes	Yes.
Tractors	Yes	No	Yes.
Vehicular equipment components	Yes	Yes	Yes.
Engines and accessories	Ycs	Yes	Yes.
Woodworking machinery and equipment	Yes	Yes	Yes.
Metal working machinery	Yes	Yes	No.
Portable machine tools	Yes	Yes	Yes.
Laundry equipment	No	Yes	No.
Sewing machines	Yes	Yes	Ycs.
Construction equipment	Yes	No	Yes.
Materials handling equipment	Yes	No	Ycs.
Refrigeration equipment	Yes	Yes	Yes.
Firefighting and safety equipment	Yes	Yes	Yes.
Pumps and compressors	Yes	Yes	Ycs.
Boilers	Yes	Yes	Yes.
Plumbing, heating, and sanitation equipment	Yes	Yes	Yes.
Water purification and sewage treatment equipment	No	Yes	Yes.
Pipes and valves	Ycs	Yes	Yes.
Hand tools	Ycs	Yes	Yes.
Measuring tools	Yes	Yes	Yes.
Hardware and abrasives	Yes	Yes	Yes.
Prefabricated structures	Yes	Yes	Yes.
Construction and building materials	Yes	Yes	Yes.
Communication equipment	Yes	Yes	Yes.
Electrical and electronics equipment components	Yes	No	Yes.
Light fixtures	Yes	Yes	Yes.
Medical and dental equipment and supplies	Yes	Yes	Yes.
Laboratory equipment	Yes	Yes	Yes.
Photographic equipment	Yes	Yes	Yes.
Chemicals	Yes	Yes	Yes.
Training aids	Yes	Yes	Yes.
Office and household furniture	Yes	Yes	Yes.
Office machines and supplies	Yes	Yes	Yes.
Books	Yes	Yes	Yes.
Musical instruments	Yes	Yes	No.
Recreational and athletic equipment	Yes	Yes	No.
Cleaning equipment and supplies	Yes	Yes	No.
Paint and brushes	Yes	Yes	No.
Textiles	Yes	Yes	Yes.
Clothing	Yes	Yes	Yes.
Sheet metal and bar stock	Yes	Yes	Yes.
Scrap metal and wood	Ycs	No	No.

NOTE.—Placement of categories on the above list does not connote relative volumes of property donated. In some categories listed, few items become surplus and few are donated.

Senator MUSKIE. In this general category of nondescriptive property that the schools are interested in, is there any property that would be of particular use to the wildlife people?

Mr. GARVEY. That would be awfully hard for me to answer, Senator, because I am not aware of what type of property they would be interested in, aside from things like cameras and things of that sort, which are in great demand among the Federal agencies themselves. And so we tend not to let those even become surplus to Government needs, but spread them around among the Government

agencies as a means of preventing the agencies themselves from buying new ones.

Senator MUSKIE. Well, I think it is clear to you gentlemen the point I am pursuing. There is a general classification of property that is useful for many purposes and many causes and many agencies that presumably are not in short supply, but in a supply which is so limited that it might be inequitable to broaden the list of recipients of such property. But there may also be surplus property that has particular value for general purposes or special agencies, including wildlife, and that is the point I would like to pursue a little bit.

Mr. CALLISON. Well, Senator Muskie, I think you may be entirely right. There may be certain types of equipment in the construction category that would be peculiarly fitted to the needs of fish and wildlife conservation agencies, but which would not be useful in a public roads program. I think that may be likely.

Now, this gentleman said that in the educational category, things like cameras, motion-picture projectors, things of that kind, would be useful in the educational programs of the conservation agencies also. But I can see there would be keen competition in that field.

There is a growing need for electronic equipment of various types in fisheries and wildlife research, particularly in fisheries research. And I would just guess that there may be considerable of that equipment becoming surplus to the needs of the defense agencies—maybe I should use the word "excess"—rather than surplus to the Federal agencies, that could be used by the State game and fish agencies in their research programs.

Senator MUSKIE. Well, have you ever gotten together with these GSA people to discuss the possibilities of equipment or property that might be particularly useful to wildlife and conservation purposes?

Mr. CALLISON. I don't know that we have, sir. It is an excellent suggestion.

Senator MUSKIE. It may be they would have nothing that would be of interest to you.

Mr. CALLISON. That is correct.

Senator GRUENING. Have you anything further to say, Mr. Callison?

Mr. CALLISON. No, thank you, Senator.

Senator GRUENING. Thank you very much.

Mr. J. Wendell Gray, Chief, Division of Surplus Property Utilization, Department of Health, Education, and Welfare.

STATEMENT OF J. WENDELL GRAY, CHIEF, DIVISION OF SURPLUS PROPERTY UTILIZATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. GRAY. Mr. Chairman, my name is Wendell Gray. I am the Chief of the Surplus Property Utilization Division, Department of Health, Education, and Welfare.

We are very pleased to have this opportunity to present our views on the various bills which would admit new groups as eligible for donation of Federal surplus property.

Senator GRUENING. Have you a prepared statement?

Mr. GRAY. I do not have a prepared statement. The Secretary has provided your committee with a detailed statement¹⁵ on four of the bills—that is, S. 1018, S. 1210, S. 1365, and S. 1766. We believe that the position expressed in that statement would be applicable to all of the other bills which propose to extend eligibility.

We have commented adversely on these bills generally for the same reasons that were expressed to you earlier by the General Services Administration and which have been summarized by your staff, I think, in very excellent fashion. These bills would reduce the amount of available property for the present eligible groups. They would, in all probability, require the establishment of a priority system which has been tried out at one time and became almost impossible administratively. It would delay the distribution of the property, and by reason of that create additional administrative costs. For many, if not all, of the groups seeking eligibility, we do not question the worthiness of their activities, but are faced with the extreme problem—Where do you draw the line? Do you admit all of them, or do you try to be selective about it? And if you try to be selective about it, on what basis can you judge which has more merit than the other?

There is another point that is important in some of the bills, which would set up a parallel administrative structure by vesting the administrative responsibility in other agencies of Government. At the present time the donation program is handled by a single State agency in each State, and they get guidance from the Department of Health, Education, and Welfare, on the health and education side by the terms of the legislation, on the civil defense side by delegation of the distributing functions by the Director of the Office of Civil and Defense Mobilization.

Since the question was raised earlier—I think it probably has been adequately clarified—but I might stress the fact that the determination of need and usability of property for civil defense purposes is made by the Administrator of OCDM. That function was not delegated to our department. Also, the enforcement of compliance with terms and conditions of the transfer on property donated for civil defense purposes was retained by the Administrator of OCDM.

Senator GRUENING. Mr. Gray, does the department keep any statistics as to the amounts donated, and to which agency they are donated?

Mr. GRAY. We do not have complete statistics on the amounts donated by the agency in all instances. Since civil defense came into the picture, OCDM has set up a centralized system utilizing IBM equipment, so that they are able to segregate completely the donations for civil defense. During fiscal year 1958, 10.9 percent of the total property allocated for donation was distributed to civil-defense organizations. On the health and education side, we have never required reports from the States breaking down donations between health and education. There have been spot checks made in a number of States. Some States do have IBM equipment and are able to accumulate that information. But nationally it would be an estimated figure insofar as the breakdown between health and education is concerned.

¹⁵ Incorporated into staff memorandum 86-1-42 dated July 20, 1959, p. 20.

Education is quite definitely the large user. We estimate that the split between health and education is roughly 80 percent to education and 20 percent to health.

Senator GRUENING. Could you give us some of the principal commodities, types of surplus, which go to education?

Mr. GRAY. Well, as Mr. Garvey indicated, they utilize most everything that becomes available. I might just mention a few of the major categories of property. One of them, for example, is maintenance supplies. They use very large amounts of everything that you use in the maintenance of a school plant—electrical equipment and fixtures and wire, plumbing equipment, cleaning equipment, and all of that sort of thing. And then, of course, one of the major categories is furniture—desks, chairs, file cases, book shelves, and all that sort of thing.

The schools also are heavy users of machine tools in their vocational education programs, and particularly also universities—the technical colleges, engineering schools, and so forth.

But they use all kinds of standard supplies which do become available. They just run the gamut of what the Federal Government uses.

I might comment on that score also, on one point which we think is very important.

The schools are unique in that they are able to get a double utilization out of much of this property. They are able to take, let's say, an automobile that is in such poor condition no one else would want it, but they put it into their vocational training shop and the students, as a part of their learning process, rebuild this vehicle. They use in their machine shop training a great deal of the raw material that they process on their lathes and milling machines and cutters and grinders, metal and material much of which would otherwise be sold as scrap and they are able to utilize it in their training programs.

Senator GRUENING. Mr. Gray, would you care to comment on some of the other bills that are not included in the Secretary's memorandum?

Mr. GRAY. Well, Mr. Chairman, I think our comments on the four bills would be applicable to all of them. As a matter of fact, we had commented on the companion bill to S. 155 in the House, and our comment was the same on that as it is on these four bills.

Senator GRUENING. In other words, you would be opposed to all of these bills?

Mr. GRAY. That is correct.

Senator GRUENING. On the ground that there is not enough to go around. That is the basic ground.

Mr. GRAY. That and the complications that would result from any substantial enlargement of the program. The problem that if you have more requirements for property than you are able to meet, you are faced with the necessity for determining who shall get the property, which involves priorities, and that sort of thing.

Senator MUSKIE. I have one question I would like to ask. Is there any substantial amount of surplus property, or are there any categories of surplus property that are of no use to the current eligible users?

Mr. GRAY. Well, I might point out that on the school and health side, of course, the use of heavy construction equipment is pretty limited, although large school systems do have a continuing need for

certain types of construction equipment—graders to keep their athletic fields in condition, and that sort of thing. They are not real large users. But again, as Mr. Garvey has indicated, those materials are not in long supply.

Your question raises another point which I think I probably should comment on. I am sure the Department of Defense representatives will be able to give you more information on this. There is a very substantial amount of property that becomes excess. The disposal rate was estimated in this last fiscal year at about \$8 billion. I don't know whether that was met or not. Now, that \$8 billion of excess property includes a great deal of the material which is strictly in the weapons field. And we are talking about acquisition cost here.

For the donation program, as we review our past record, we only find about 4 to 5 percent of that total excess to be the types of property that are usable and needed for the purposes of the donation program. And those boil down pretty much to the common-use types of property, with some exceptions.

Senator MUSKIE. Of that \$8 billion, excess property—this is annual—this is 1 year?

Mr. GRAY. Yes.

Senator MUSKIE. Of that, are there some categories of property—this may not be information that you have, but the representatives of GSA do—are there some categories of properties that might be useful to some of these agencies mentioned in the pending bills, but not useful to the current eligible users?

Mr. GRAY. Well, I am not sure that I could give you a factual answer to that. We do utilize the common use type of property. There could be some very highly specialized property. But I don't know enough about the needs of all of these various groups seeking eligibility to tell you whether there are any specialized items that they could use that we could not use. I would doubt there is any substantial amount of it. Because particularly the schools are able to utilize such a wide variety of property.

Senator MUSKIE. I think I would be inclined to agree with you. But I think the question ought to be asked and answered for the record.

Mr. GRAY. Yes.

Senator MUSKIE. Perhaps a representative of GSA would be willing to comment on that question.

Mr. GRAY. Well, I certainly would need to know more about the special requirements of the groups that are seeking eligibility. I am not well enough informed as to whether or not they have special requirements. Our impression has been, and we have talked with some of them, that by and large they are seeking the common-use type of property.

Senator MUSKIE. Do you think we have wrung most of the water out of the towel, Mr. Garvey?

Mr. GARVEY. Senator, included in the \$8 billion declared excess this last fiscal year there is a great deal of it made up of military hardware, weapons and scrap. This constitutes the greatest proportion of the property, you see. Then, of course, there is this specialized equipment. And then there is the common-use stuff at the other end. Now, the common-use items, and some of the specialized equipment, is of

great interest to the people who are representing the eligible donees. I would like to point out that in addition, it is also true that the Federal Government has great use for much of the specialized equipment, and much of the common-use items as well. Before the property became surplus, we took out of it this year a little more than \$140 million for the purpose of the Federal Government. We hope to take out of it even more in the fiscal year 1960. We have promised Congress that we would utilize in the Federal Government somewhere in the neighborhood of \$200 million or more before it becomes eligible for donation.

Senator MUSKIE. Well, to sum up your position, do you think that you make maximum use of all surplus property that would conceivably be useful to anyone?

Mr. GARVEY. We believe that the wide expressed need of surplus property by the eligible donees would take the bulk of the property that most organizations would be interested in.

Now, there may be some isolated need on the part of one of the groups covered by the legislation with which we would not be familiar, and similarly an item of that kind might become surplus. But we know at this point of no broad category of surplus property which would not be required by the State agencies for surplus property for the purposes of donation, which are going by the board and could be made available to one of the groups that is represented in the legislation being considered.

Senator MUSKIE. You think it might be useful to have some form of legislation that would make it possible for you to make use of these tag-end deals, tag-end needs? I don't know how it would be phrased?

Mr. GARVEY. I am not sure, sir. I think this is one of the things that GSA should study. We have been looking into this subject, and incidentally the legislation which was described by Mr. Macomber that we were working on had in mind that new eligible organizations would be restricted by type of property.

Senator GRUENING. Have you any information how much surplus is piled up in State agency warehouses?

Mr. GARVEY. I have not, sir.

Senator GRUENING. Have you any thought that there may be a good deal?

Mr. GARVEY. Mr. Chairman, I think probably the representative from the Department of Health, Education, and Welfare could give you a better answer than I could on that particular point.

Senator GRUENING. Have you any information on that subject?

Mr. GRAY. Well, I couldn't offhand estimate the dollar value of property in State agency warehouses. I would like to comment that the turnover of property in State agency warehouses is quite rapid.

Senator GRUENING. So you think that that does not constitute a serious problem, namely, that a great deal is being stored there and not utilized?

Mr. GRAY. No, sir, we do not believe that that is a problem. As a matter of fact, we police that situation. We require that property which has been in a State agency warehouse for more than a year be reported to us, and we go in and have a look at it. If it appears that they are not going to utilize it, we first attempt to transfer it to another State which can use it, and failing that, we authorize the

State to dispose of it by public bid sale for the benefit of the Federal Government. That has not been generally a very substantial problem. You might wish to question some of the State representatives about how they feel on that.

Senator MUSKIE. I think there is another thing too. It costs the States money.

When I was Governor, we didn't hang on to the stuff any longer than we had to.

Senator GRUENING. It hasn't seemed to bother the Federal Government in the matter of agricultural surpluses.

Senator MUSKIE. I wonder if you could comment on this. I understand, first of all, the Department of Defense can dispose of a lot of its surplus. Is that correct?

Mr. GARVEY. The Department of Defense has certain service educational activities which they are authorized by law to furnish with surplus property. And this is another source of donations.

Senator MUSKIE. Is that controlled by statutory limitations?

Mr. GARVEY. This is done in response to statutory authority. I am not familiar with the extent to which that statute restricts the Department in any way.

Senator MUSKIE. You don't know the size of that program, dollar-wise?

Mr. GARVEY. I would like to state, sir, subject to correction from the Department of Defense representative—my understanding was that was about a \$20 million program in the past year.

Senator MUSKIE. We will pursue that point with the Department of Defense.

Senator GRUENING. If additional agencies should be aided, if the Congress should so legislate, have you any recommendations as to how the priorities should be established for them?

Mr. GRAY. Well, in our view it would be very difficult to administer any kind of a priority system. It seems to me that the only feasible thing would be to distribute it on a first-come-first-served basis, because when you get into priorities, you complicate the Federal problem, and you complicate the problem of the States who actually distribute the property within the States. And to attempt to operate a priority system becomes very, very difficult. In other words, you would be faced in the State, for example, with not being able to give property to a low priority group until you were assured that all of the higher priority groups had had an opportunity to acquire it. And with the extremely rapid turnover of this property which is coming and going in and out of the State warehouses every day, this creates a very extreme problem, if you try to set up a priority system. It creates the same kind of problem at the Federal level, in providing a period of time, so that each eligible with priority will have an opportunity to look at this property, but only after all of those who have a higher priority have looked at it. And that is why it would delay the disposal program.

Senator GRUENING. Do you share that view?

Mr. GARVEY. Yes, sir.

Senator GRUENING. Thank you very much, gentlemen.

The next witness will be Mr. Robert C. Moot, Staff Director for Materiel Management, Supply and Logistics, Department of Defense,

Mr. Alexis T. Bishop, Chief, Inventory Management, and Lt. Col. John F. Rey, Chief, Surplus Disposal Branch, Department of Defense.

STATEMENT OF ROBERT C. MOOT, STAFF DIRECTOR, MATERIEL MANAGEMENT, SUPPLY AND LOGISTICS, DEPARTMENT OF DEFENSE; ACCCOMPANIED BY ALEXIS T. BISHOP, CHIEF, INVENTORY MANAGEMENT, DEPARTMENT OF DEFENSE; AND LT. COL. JOHN F. REY, CHIEF, SURPLUS DISPOSAL BRANCH, DEPARTMENT OF DEFENSE

Mr. Moot. Mr. Chairman, my name is Robert C. Moot. I am the Staff Director for Material Management in the Office of the Assistant Secretary of Defense for Supply and Logistics. With me is Colonel Rey, who is the Chief of the surplus property disposal program, and Mr. Bishop, who is in charge of the inventory management program.

We have no prepared statement, but we would be happy to furnish any information we have for the committee.

Senator GRUENING. Have you any figures on the amount of surplus property there is annually?

Mr. Moot. Well, if I might take a moment and trace our surplus disposal property through for about 2 minutes, Mr. Chairman, I think I can give you the background and a specific answer.

As you know, and I am aware you have had a strong interest in our surplus disposal program—as you know, we have on our books in the Department of Defense personal property valued at an acquisition cost of approximately \$120 billion. This property is somewhat over 90 percent highly technical military property. It includes, for example, all of our ships, our aircraft, our tanks, and all of our tactical vehicles. It is also approximately 70 percent in a used condition. When I say a used condition, I do not mean purely in the past tense. It is in active use, for example, our ships, our aircraft, all of our vehicles, all of our operating equipment are in constant use.

For this reason, and for the same reason that any normal industrial operation develops excess and surplus property for exchange, we develop and will continue to develop a sizable surplus disposal program. As our equipment becomes old, wears out, needs to be replaced, as technology overcomes our current state of the art for military purposes, obsolescence occurs and we develop surplus.

This has been becoming increasingly more evident in recent years, primarily because of the efforts of the Department of Defense to identify specifically its needs under current strategic concepts, and to be sure that we are not carrying material and equipment which is either too costly to repair or for which there is no foreseeable need.

As a consequence, our total disposal program in terms, again, of acquisition costs, which gives no recognition to either the age, condition, amount of use, or repair necessary in terms of the original value of the material—our program, over the last several years, has increased sharply as we have attempted to purify our investment of that which is uneconomical to maintain.

For example, in fiscal year 1956 our disposal program, in terms of acquisition value of material, totaled \$4 billion. In fiscal year 1958, it

totaled \$6 billion. In fiscal year 1959, just closed, it will total \$8 billion. We would expect that fiscal year 1960 disposal will probably reach, again in the same measure of acquisition cost, approximately \$10 billion.

So in terms of the background of the type of equipment we have, the \$120 billion of predominantly technical military property, this is the way our surplus program shapes up.

In fiscal year 1959, just finished, the \$8 billion of surplus property was so predominantly military type and so predominantly the type that has become completely worn out, with no residual utilization, that 60 percent of it was expended to scrap. It was the only way we could dispose of it.

Now, in terms of the committee's specific interest today, it might be well if I restrict the figures I am giving you to domestic surplus, rather than confuse the picture by including the oversea surplus program.

For fiscal year 1959 our total dispositions of surplus domestically, within the area of Public Law 152, 203(j), totals \$6.3 billion. Of this total, we disposed of, as scrap, \$4 billion—remembering again that I am talking acquisition costs only—which left us to dispose of, as usable property, \$2.3 billion.

Now, of course, this usable property runs the gamut of age, condition, and all sorts and types of material.

Within this \$2.3 billion, we disposed of, as salvage—that means we sold it as usable property, but really for only component value, rather than as a piece of usable equipment—or disposed of it as technical military equipment \$900 million of the \$2.3 billion disposed of as usable property—which left us with the figure that I think you are probably most interested in.

We disposed of, in the category that we call commercial type surplus property, \$1.4 billion worth at acquisition cost for fiscal year 1959. And it is from this total that the donable property program reviewed and received its amount from the Department of Defense.

At this point I might mention that, as you have brought out in the previous testimony, there are two basic areas of the donable property program under Public Law 152. One is that which is classified as special interest to the Department of Defense, which includes the education systems, with approved military training programs, and such youth organizations as are approved as of special interest. And this total will approximate \$20 million for fiscal year 1959.

The balance of our donation, of course, goes through the General Services Administration and the Department of Health, Education, and Welfare, and that will approximate \$250 million to \$260 million, with all of our reports not in at the present time for fiscal year 1959.

This, of course, recognizes the fact that Government screening has taken place prior to this point. And of course there is a very active program which is well up in the hundreds of millions of dollars, either within the Department of Defense or between the Department of Defense working cooperatively with GSA for other Federal agencies, for the use of this material by Federal agencies prior to reaching this stage of surplus.

Senator GRIENING. What do you do with the surplus you cannot dispose of? What happens to that? Do you store it?

Mr. Moot. Well, we refuse, Mr. Chairman, except for restricted reasons, to recognize there is surplus we cannot dispose of. If it has become legally surplus, which means it has gone through all the steps necessary for utilization, and our final choice is sale, donation, or abandonment—in the case of military property which is dangerous to safety and health—we do one of the three.

The restrictions that are placed upon us are administrative restrictions, and we, in certain cases, accept—in fact, in most cases we accept any recommendation by the Department of Commerce, the Business and Defense Services Administration of that Department, which is a recommendation not to dispose of it because of potential market impact in any one particular industrial area in the country. In those cases we have, in certain specific instances, held or withheld material from sale until there would be a lessening of market impact in its disposal. In other instances we have scrapped, rather than sold, because of the potential market impact.

Senator GRUENING. Have you any comment you would like to make on any of these bills—S. 2442, introduced by Senator Bartlett and myself, to provide for the disposal of surplus property to the government of Alaska?

We know there is a tremendous amount of surplus there, and much of it is very costly to transport outside of Alaska. A good deal of it, unless disposed of, is apt to stay there and just rust or deteriorate.

Have you any comments on that legislation, favorable or otherwise?

Mr. Moot. I am afraid mine is not a legal opinion, Mr. Chairman, with specific reference to the provisions of this bill. But I can say this from a Department of Defense position: We are primarily interested, when it is in the national interest, to move our excess and long supply and surplus property as rapidly as possible.

As you well know, it is a costly endeavor to carry material for which we see no immediate or foreseeable mobilization use in store. So we are consistently in favor of legislation which will allow us to move more rapidly the material which we would like to dispose of in any way which is in the national interest.

The Department of Defense has, for that reason, supported consistently the purpose and intent of the donable property program under Public Law 152.

On the other hand, the Department of Defense has not felt that it should be in a position of determining the merits of eligible recipients under the program, and has referred such questions consistently to the General Services Administration and the Department of Health, Education, and Welfare.

Senator GRUENING. How much of your Department of Defense property is disposed of under section 202(b) of the Federal Property Act?

Mr. Moot. I don't think I have with me—and I think it would be a compilation job—to give you the answer under that specific subsection. I think I can give you an order of magnitude.

We have that same authority, and it is restricted to that same authority, in oversea donation. It is the only means by which we can make an oversea donation. Our oversea donable program, where there is no commercial value, or where the cost of disposing of it would be greater than the proceeds, in fiscal year 1959 approximated \$4 million.

Translating that back into our domestic program, I would imagine that it is a very insignificant figure.

Senator GRUENING. These oversea donations, are those part of the foreign-aid program?

Mr. Moot. No, sir. The foreign-aid program operates much the same as the Federal agency screening and the State agency screening. The foreign-aid programs screen our long supply before it becomes surplus and our excess material very carefully, and we do transfer, either to military assistance programs or programs sponsored by the International Cooperation Administration, well over \$100 million worth of property a year.

Senator MUSKIE. There are a couple of mathematical gaps in the figures that you gave us earlier in your testimony. Talking about a total of \$8 billion for fiscal 1959, excess property—is this figure arrived at before or after consideration of the special interest program?

Mr. Moot. Senator, it is arrived at before we either transfer by donation to the special interest activities, to the Department of Health, Education, and Welfare, or to surplus selling. What has taken place prior to the determination of the \$8 billion figure is the internal government screening, either within the Department of Defense, either between the Department of Defense and other Federal agencies, or between the Department of Defense and foreign-aid programs.

Senator MUSKIE. Now, in that area, do you, to your knowledge, contribute this property to other agencies—and it is a contribution, isn't it—it isn't a sale to other agencies?

Mr. Moot. Well, that is a yes and no answer. It has been partially by reimbursement up until very recently. And at the present time we are finalizing a directive which will make it completely nonreimbursable. In certain working capital fund areas where the historical position has been to maintain the integrity of stock funds, for example, there has been partial reimbursement required.

We are finalizing a directive which will eliminate that.

Senator MUSKIE. Does any of this go to other agencies which themselves are in a position to donate property to nongovernmental groups or institutions or agencies?

Mr. Moot. To the best of my knowledge, the answer is "No." To be perfectly frank, I think that we would have to check with General Services Administration and the Department of Health, Education, and Welfare. But I do not believe so, sir.

Senator MUSKIE. Now, of the \$8 billion, you detailed the disposition of \$6.3 billion. Now, the difference of \$1.7 billion, as I understand it, was in the foreign field?

Mr. Moot. It was in the foreign field, in terms of disposals. And in some cases in the foreign field in terms of foreign aid.

Senator MUSKIE. Then you get this figure down to \$1.4 billion. And at that point, I lost you a little bit.

Mr. Moot. All right, sir.

Senator MUSKIE. This \$1.4 billion was described as commercial-type property. Incidentally, on this score, we have been talking about these billions. Although you have emphasized over and over again that this figure represents acquisition cost, I think it might be useful to get some idea of what the actual value of this property is.

Mr. Moot. All right, sir. I wonder if I could just recap, so I can

make sure I have given you the figures without clouding them in terms of the discussion.

We were talking about \$6.3 billion of surplus disposal of domestic surplus, of which \$4 billion was scrap. Incidentally, on our scrap return, the best market value we can put on it probably is what we get, and we get about 1.5 percent return on scrap.

Senator MUSKIE. That is 1.5 percent of that \$4 billion.

Mr. Moot. That is right, sir. That leaves us, therefore, \$2.3 billion worth of property at acquisition price that we have sold as usable property. I simply attempted to categorize that \$2.3 billion in two ways. The first part was in terms of salvage, or technical military equipment. And that was \$900 million. The other piece was that which we classify as commercial-type property, and that was \$1.4 billion.

Senator MUSKIE. Now, this \$900 million salvage, what was the actual return on that?

Mr. Moot. Well, in terms of the \$2.3 billion of usable property, our average return domestically in this past year has been just 5 percent.

Senator MUSKIE. That is the percentage you apply to the full \$2.3 billion.

Mr. Moot. That is the \$2.3 billion. Now, it might be expected that our technical military equipment sale return would be less than our commercial. And in certain areas it is. But there is a wide range and fluctuation.

For example, there are certain specific technical parts that bring a pretty good return. On the other hand, there is a wide range in the commercial property sale. We can range as high as 50 and 60 percent of our acquisition value if we are talking production equipment, for example, and we can get down to practically 1 percent if we are talking about used clothing or something like that. So there is a wide range.

Senator MUSKIE. Overall, then, on this \$2.3 billion figure, you get 5 percent actual dollar return. But this is not the full measure of its value, of course, because it has a value for these users over and above that.

Mr. Moot. Our actual total proceeds, including our scrap return, and our sale of usable property in the past year, again, with the final report not yet published, will approximate \$225 million.

Senator MUSKIE. That is 5 percent—

Mr. Moot. That is the 5 percent plus the scrap return. And that includes overseas, I might add, which would be an additional return to be added.

In other words, if we took 1.5 percent of our \$4 billion and 5 percent of our \$2.3 billion, added them together, we would be somewhat short of the \$225 million. The balance is our overseas.

Senator MUSKIE. I think it is well to get those figures in the record. Otherwise you get a disproportionate idea of what this material is worth.

Well, now, on the \$1.4 billion, getting back to using the acquisition figures, you testified \$260 million went to this surplus property program in the Department of Health, Education, and Welfare and \$20 million of it goes into your special interest program. Now, what happens to the other, roughly, \$1.1 million?

Mr. Moot. The other \$1.1 million is what we sell as usable property of a commercial type. In other words, it goes on the surplus market and receives the best return we can by any one of a multiple method of sale, depending upon what is considered the best method—anywhere from an auction sale to a competitive sealed-bid sale.

Senator MUSKIE. Now, without knowing what kinds of property are involved in this \$1.1 million category, would any of it, in your opinion, be useful to the various agencies which are seeking the benefits of the surplus property program under the pending legislation?

Mr. Moot. Senator I do not think I am qualified to answer that. I think maybe I am a little less qualified after listening to the testimony this morning than I might have thought I was before. But I think I can help by telling you the general major categories of material that we would be selling in this \$1.1 million. These are generally in descending order of importance, with the first being probably the largest dollar value.

First of all, we would have electronic and electrical equipment and communication equipment and parts. In terms of dollar value, they would probably be the largest.

Senator MUSKIE. May I interrupt you just a moment. I am sorry I have to leave. I would like you to complete this testimony for the record. But I would like to ask this question before I do leave.

After you have finished giving this information, I wish you would comment on this question :

What would be your reaction to a suggestion that some of this, if it is valuable or could be useful to the people whose interests are being served by this pending legislation—what would be your reaction to the suggestion that by appropriate legislation some of this property be made available to them?

Mr. Moot. Yes, sir.

Senator MUSKIE. Would you comment on that later?

Mr. Moot. Yes, sir.

Senator MUSKIE. I am sorry I do have to leave, but I thank you very much.

Senator GRUENING. Please proceed, Mr. Moot.

Mr. Moot. To continue, in terms of the categories of the material that we are selling as commercial usable property, the second category would include vehicular equipment and parts. The third would include construction equipment and parts. The fourth would include production equipment, including machine tools, and so forth. The fifth would be ground- and materials-handling equipment and parts. The sixth would be clothing and textiles. And then we have several areas which fluctuate in volume, but are fairly consistent in being within the category of commercial property sold as surplus, and these include office equipment and furniture, photographic equipment, and a loose category of general supplies.

It must be remembered that the Department of Defense carries in inventory some 3.2 million items of supply, and it would be impossible to give any accurate overall framework of the many types, thousands of types of items that become surplus.

In terms of Senator Muskie's request for comment as to the advantage or disadvantage of including or broadening the scope of eligible recipients in the donable property program, Mr. Chairman, again, I

think the past and present position of the Department of Defense is this.

Wherever the national interest can be served, the Department of Defense believes that a sound donable property program is an advantage in its administration and management of its material inventory.

I say this because of two reasons.

Assuming that the national interest is such that the gross proceeds that we might get by sale, which approximate currently 5 percent, assuming that the national interest does equate, with those gross proceeds, then in its internal management, the Department of Defense finds that the administrative procedure to make a donation is less in time than the administrative procedure necessary to sell the property, simply because we eliminate the preparation for sale, the cataloging, and the invitation for bid lead time, and then subsequent pickup time.

Secondly, for the same reason, the Department of Defense finds it is less costly administratively to make property available for the program than it is to go through the preparation for sale, the advertising, and the necessary administrative costs of selling material.

So if the national interest is served equally as well through the donable property program as a comparable measure to the gross proceeds which might be returned to the Treasury, then the Department of Defense believes that a sound donable property program is a valid inventory management tool.

The question here presumably would be as stated by the previous witnesses—if the significant broadening of the donable property program would complicate the administrative procedures of the donable property program, and because of the need to make priority determinations and allocations in the program, would tend to slow up the program, then what we think is an advantage would prove to be a disadvantage—we would find ourselves holding material with so-called freeze periods for donation inspection, which might very well take longer than we could have disposed of the material by sale.

So I think it is a question which would not be ours to answer in terms of administrative complexities.

But if there is a very real danger of significant administrative complexities, then whatever advantage the Department of Defense would see in its internal administration would probably disappear.

Senator GRUENING. Well, now, with respect to the 30 percent of defense property which is not in actual use, could you detail a little more fully how you store it, how you dispose of it temporarily while waiting for another disposition of it.

Mr. Moot. Well, the property not in use is, of course, the type of property that is support material primarily. It is the repair parts, the petroleum in store, the food in store, the clothing in store.

Now, the total of our inventory in storage, as contrasted to our equipment in use, at the present time approximates \$50 billion. Now, in a used condition, of this \$50 billion, is a considerable portion of repair parts that have been taken out of operating equipment, repaired, and put back into store to be used on the next overhaul cycle.

The material that we carry in store and account for on a continuing basis is scattered, of course, through our depot system throughout the world.

Mr. SHRIVER. Mr. Moot, you referred a while ago to the fact that there are certain educational institutions of special interest to the armed services. In that connection, would you explain for the record how the Boy Scouts, Girl Scouts, and other similar groups receive the property allocated to them?

Mr. Moot. I will try to, Mr. Shriner.

The determination as to which activity or installations or organizations would be considered of special interest to the Department of Defense is a determination of the Secretary of Defense. Because of the training aspects, the Secretary has delegated this determination to the Assistant Secretary of Defense for Manpower and Reserve Forces.

The Boy Scout determination was made—and I am going to ask Colonel Rey to correct me if I am wrong on this—during Secretary Marshall's administration as the Secretary of the Department of Defense, and was based on his specific decision. It was his authority to make the decision, and based on the facts as he then, and as has been consistently looked at since, determined the Boy Scouts to be of special interest to the Department of Defense.

Mr. SHRIVER. Thank you.

Senator GRUENING. Thank you very much, Mr. Moot, Mr. Bishop, and Colonel Rey.

The next witness will be Mr. Maurice K. Goddard, secretary of forests and waters, Commonwealth of Pennsylvania.

Mr. Goddard, do you have a prepared statement?

Mr. GODDARD. Yes, sir.

STATEMENT OF MAURICE K. GODDARD, SECRETARY OF FORESTS AND WATERS, COMMONWEALTH OF PENNSYLVANIA, ACCOMPANIED BY JOSEPH A. BLATT, CHIEF, DIVISION OF STATE PARKS, COMMONWEALTH OF PENNSYLVANIA

Senator GRUENING. In the interests of saving time, we will reproduce your statement in full in the record at this point. But we would like to have you highlight it.

(The statement referred to follows:)

STATEMENT OF MAURICE K. GODDARD, SECRETARY OF FORESTS AND WATERS, COMMONWEALTH OF PENNSYLVANIA

Mr. Chairman, may I first express my thanks to you and to the members of this committee for giving me the opportunity to testify on Senate bill 1766.

The point in question—the extension of the list of eligible recipients of Federal surplus to include tax-supported public recreation agencies—may not seem to be of significance when viewed from the Federal level. However, from the position in which I find myself as secretary of Pennsylvania's Department of Forests and Waters, which administers Pennsylvania's State park system, the passage of this bill achieves a degree of considerable importance.

Reviewing the history of various similar pieces of legislation introduced in Congress in the past, I note two comments that have been made time and time again by those who testified in opposition.

First, it was admitted by the witnesses that the basic purpose for which the particular bill was introduced was praiseworthy.

Then, it was stressed that any increase in the number of eligible recipients of Federal surplus would definitely have an adverse effect upon the administration of the distribution program.

That both of these statements are true and correct is plainly evident.

The only questions, therefore, that must be answered are:

First, whether the beneficial effects of this bill as they will be realized by the taxpayers are of enough value to offset the increased administrative burden which will be placed upon the distributing agency; and

Second, and perhaps most important, whether the intent of Congress is being fulfilled by the act of 1949, as amended.

Reviewing for just a moment the provisions of the Federal Property and Administrative Services Act of 1949, I note that eligible recipients of Federal surplus property are placed in one of the following two classes:

1. Tax-supported agencies providing facilities or services in the fields of education, health, Armed Forces training, or civilian defense.
2. In the case of surplus real estate, tax-supported agencies providing facilities classified as public parks, recreation areas, or historic monuments.

The theme of my plea for the passage of bill No. 1766 is, therefore, that the State park system of the Commonwealth is, on the basis of the services rendered and the facilities provided, clearly an integral part of the Commonwealth's program in the fields of education, health, and civil defense; and also that our State park system is an integral part of the Federal program in the fields of Armed Forces training and civilian defense; and that, in spite of these facts, we are denied the privileges afforded other tax-supported agencies in obtaining surplus equipment. We are, of course, eligible to receive surplus real estate.

In Pennsylvania, and in most other States, I am sure, our State parks provide vital services in education, in health, in Armed Forces training, and in civilian defense.

In the field of education, I would like to quote from the recreation manual of the Pennsylvania Department of Forests and Waters, where it says:

"The purpose of the Pennsylvania State park system: to promote healthful outdoor recreation and education."

Our park officials are constantly playing host to all types of school, church, and other groups that come to them primarily for educational purposes. This relatively new and somewhat novel use of State parks is having a considerable impact, particularly upon those parks located close to our large metropolitan areas.

Our camps are filled to capacity by youth organizations such as the Boy Scouts, the Girl Scouts, the Grange, and a wide variety of agencies which receive support from the Community Chest. The officials of these organizations, to a man, emphasize the fact that theirs is an educational program and that the camping period is an integral and important part of their program. They place additional emphasis on the fact that most of their campers live within the large metropolitan areas, and that the week or two that they are able to spend in our State parks is indeed a time of learning and education.

If I may, Mr. Chairman, I would like to digress a moment from the type of education that you and I would commonly picture when the benefits of State parks are under discussion.

Several years ago—on September 7, 1956, to be exact—I was present and witnessed the initial flag-raising ceremony at Pennsylvania's first youth forestry camp in Raccoon Creek State Park. This camp, truly an educational institution, was set up under legislative direction as a step in the rehabilitation of delinquent male youths.

Since that time another similar camp has been established at Hickory Run State Park and a third camp is now contingent upon the action of our legislature. I mention these camps not only because they are definitely a part of an educational program for which the department of forests and waters is partly responsible, but also because of a statement made by our former Governor, George M. Leader, during the flag-raising ceremony. Quoting from memory, Governor Leader said that it was indeed fitting that a State park had been chosen as the site for this first camp, for it was his belief that, if more of our young people, particularly those from the teeming metropolitan areas, could be brought to our State parks, their lives could not help but reflect the benefits of the experience. He stressed the intangible benefits that would be gained by our children and mentioned the fact that our parks and recreational facilities are reputed to have considerable bearing on the Commonwealth's mental health program. In brief, he stated that the opportunity for the State park type of recreation is now considered to be of extreme importance in the development of good, well-balanced citizens.

It would take the wisdom of Solomon to define the boundary line between the programs of education and health. In the field of public health, we have adapted some of our facilities to the requirements of the Pennsylvania Society for Crippled Children and Adults. The camping experience which these unfortunate youngsters are able to enjoy in our parks is truly a part of the public health program. The resident physician at Camp Easter Seal, in Laurel Hill State Park told me last season that in his estimation, the therapeutic value of the camping experience for most of the crippled children far overshadowed the value of any similar treatment conducted in their home areas.

As I mentioned earlier, former Governor Leader indicated a connection between the incidence of mental health problems and the opportunities provided the residents of our crowded cities for wholesome outdoor recreation. He definitely indicated that State park recreation could quite possibly be an integral part of a program designed to prevent the occurrence or to lessen the severity of mental disorders. Many years ago the pioneers in the mental health field recognized the therapy of quiet forest settings in their design and choice of location for the early hospitals erected for the care of the mentally ill.

To illustrate the connection between our State parks and Armed Forces training, I want to point out that we frequently receive requests for bivouac and maneuver areas. National Guard units utilize areas in our State parks for almost every conceivable type of exercise, except the use of live ammunition. Engineer units construct and demolish bridges and roads. Armored units conduct tank exercises. Infantry units maneuver through our forested and open areas. Medical units set up and tear down field hospitals. Just recently, a Marine unit stormed the beaches of Presque Isle State Park. All of these and others utilize the facilities of Pennsylvania's State parks.

Within the realm of civil defense our position is growing in importance each day. We have been called upon to make our facilities available for the use of large service units as evacuation headquarters. Just last week, a delegation visited my office asking permission to use three of our locations as assembly points in case of enemy attack. The location of our State parks, their designs, the facilities included therein, obviously make them highly attractive to civil defense authorities when they are considering the needs of our country in the event of another war.

I think that because of their importance to our education programs, because of their great values for wholesome living, and because of their importance to our defense program, the recreational facilities of our States are entitled to the great benefits they would derive from being eligible for Federal surplus property.

I would like to conclude with a short statement concerning our purpose in requesting favorable consideration of Senate bill No. 1766.

The root of all evil—the almighty dollar—is our motivating purpose. I could speak at some length on the subject of the financial plight of my Commonwealth, but I know full well that you gentlemen represent States which are similarly afflicted. Let me say then that the funds needed to properly maintain our State park facilities are, indeed, in extremely short supply. Favorable action on this bill will make available to us large quantities of valuable equipment and supplies for which we would otherwise have to spend our scarce maintenance dollars or do without.

As I indicated earlier, I believe that the benefits of this bill to the taxpayers of our Commonwealth will far outweigh the added administrative burden which the bill, if passed, will place upon the distributing agency; and I also sincerely believe, and I trust that you will agree, that Congress originally intended that agencies providing such services and maintaining such facilities as our State park system does, should be afforded the benefits of the Federal surplus disposal program.

I want to thank you, Mr. Chairman, and you gentlemen of the committee for the courtesy that you have shown to me and for the serious consideration that I know you will give this important bill.

Mr. GODDARD. Mr. Chairman, my name is Maurice K. Goddard, secretary of forests and waters of the Commonwealth of Pennsylvania. My associate is Mr. Joseph A. Blatt, chief of the Division of State Parks of the Commonwealth of Pennsylvania.

We are appearing in support of Senate bill 1766. I think in the review of legislation previously introduced and in the discussion here again today, two points are raised.

First, it was admitted by the witnesses who preceded me that the basic purpose for which this bill was introduced is praiseworthy. And then it was stated that any increase in the number of eligible recipients of Federal surplus would definitely have an adverse effect upon the administration of the distribution program.

Now, both of these statements are true and correct. The only questions, therefore, that must be answered are, first, whether the beneficial effects of this bill, as they will be realized by the taxpayers, are of enough value to offset the increased administrative burden which will be placed upon the distributing agency; and second, and perhaps more important, whether the intent of Congress is being fulfilled by the act of 1949, as amended.

We believe there is a direct relationship between recreation and health, education, and welfare. All of our parks in Pennsylvania are used by educational groups, by science groups, Boy Scouts, Girl Scouts, 4-H Clubs, and the Grange, particularly those parks in areas that surround the large metropolitan areas. The crippled children in Pennsylvania, for example, use our State parks, and we have two fine programs in this respect.

Our juvenile delinquency program uses two of our State parks. We have introduced legislation in Pennsylvania now to create a third. We call these youth forestry camps, and they are patterned after the CCC program. But we take juvenile delinquents, and take them into the State parks and use them there.

We can report that of all the boys who have gone through these camps we have not had a repeater yet. I am not saying that we are not going to have a repeater. But this is in direct contrast to the experience in reformatories and the other types of correctional institutions in the Commonwealth.

So we feel, Mr. Chairman, that there is a direct relationship between health, education, and welfare and the park system.

We also want to point out that civil defense is using and planning to use many of our park headquarters as centers of communication in times of emergencies. And we have made arrangements with one great Federal agency to use one of our parks in time of an emergency as an evacuation headquarters.

We have housing, we have water, sewage and other types of facilities so they can be used in a civil defense emergency.

So we feel that there is a direct relationship between a good park system and these other things which receive support through the present surplus disposal program.

I think, too, that we can minimize, perhaps, this problem of administration. As has been pointed out by one of the witnesses from the GSA we do get support from the U.S. Forest Service and very fine surplus support for our fire protection activities, under the Clark-McNary Act. As I see it, the Forest Service could help administer the material we get for recreational programs. This is material which they are aware of. And we could process it in exactly the same manner as we process firefighting equipment under the Clark-McNary Act.

I will grant it is going to make for administrative complications. But I certainly think the benefits to be derived from expanding it to

recreational activities is worth the additional administrative problems that will be created.

In essence, sir, that is the sum and substance of our testimony.

Senator GRUENING. Thank you very much. I think that is a very helpful presentation. I think the committee would be very sympathetic to the needs you have expressed. It is always a question of conflicting interests, whether there is enough to go around.

We are approaching the hour where we have to adjourn until tomorrow. I would like to ask if there is anyone here, of the remaining witnesses, who would not find it convenient to be here tomorrow morning at 10 o'clock.

Mr. CURRAN. I would like to testify at this time, Mr. Chairman.

Senator GRUENING. Very well. Come forward, sir, and identify yourself for the record.

STATEMENT OF JAMES W. CURRAN, SUPERINTENDENT OF PRISONS, STATE OF MARYLAND

Mr. CURRAN. My name is James Curran. I am superintendent of prisons, State of Maryland. I am an officer and member of the board of directors of the American Correctional Association, and as such I am authorized to appear here and testify.

First of all, I want to thank you for the opportunity you have given me to testify this morning.

Senator GRUENING. Are you testifying in favor of any particular measure?

Mr. CURRAN. No, Senator. I desire to ask for consideration by the committee to expand and to extend the program of donation of personal property to include the correctional institutions, the State correctional institutions of our country.

There are 170,000 prisoners in State correctional and penal institutions in the various States of this country, and of that number we believe that about 25 to 30 percent are below the fourth grade level of education. We believe, too, that the correctional program that we project for rehabilitating prisoners is essentially educational. And that as such, we feel that much could be derived in helping our program if we were included specifically in legislation that would make us eligible to receive this surplus property that is being distributed through the Department of Health, Education, and Welfare.

I am also a member of the Advisory Board of the Maryland State Agency for Surplus Property, and as such, I come in contact with what passes through our State. I have every reason to believe that the agencies that are so declared as eligible in the State of Maryland are receiving sufficient, and there is in addition to that other surplus property that might well be used profitably in the correctional institutions of our State.

For that reason, plus the fact that correctional institutions get a small share or a portion of the State funds for their operation, this would be a supplementation to our funds that we do receive to project a program.

Senator GRUENING. To the extent that your needs are educational—and I have no doubt that they are—can you not persuade the Department of Health, Education, and Welfare to take that into consideration in its allocation of surplus?

Mr. CURRAN. We have applied, Senator. In two cases they have agreed to declare two of our institutions eligible to the extent of the educational program in those two particular institutions. However, there are three others that are not eligible. And there are hundreds, really, throughout the country that are not receiving this personal property.

We believe that the whole program of correction is educational, and it is not confined strictly to academic training and vocational, but personal hygiene, the spiritual guidance, the recreational programs, which all contribute to an overall picture of education. And since 98 percent of these 170,000 prisoners that are incarcerated in State prisons in the country are going to return to society, we feel that it is incumbent upon us, as prison administrators, to project programs that will tend to educate them so that they will be better suited and better fitted to return as resourceful and productive citizens of our country.

We appeal to you for your consideration to include the correctional and penal institutions of America, that is, State penal and correctional institutions, in this program, because we feel much good can be derived from it.

Senator GRUENING. Well, granting the validity of your plea, if we were to have another bill introduced which would extend surplus property distribution to these penal institutions, that would still further intensify the objections of the General Services Administration that there is not enough to go around.

I would suggest to you that since you have had the vision to present this case, you proceed along those lines and try to get what you can for your Maryland institutions, having the prestige and the foresight of being there first.

I think that another bill further complicating this situation would stand a relatively small chance of passage.

But I think your personal plea on behalf of your institutions might achieve some results.

That is just my personal view. I cannot speak for the other members of the committee or the Congress.

Mr. CURRAN. I appreciate your advice, Senator. Thank you very much.

Senator GRUENING. There are a number of statements here which we will place in the record at this point. A statement by Senator Mundt on S. 2244; a statement by Representative McGovern on S. 2244; a letter from the American Association for State and Local History; and a telegram from the National Association for Retarded Children on behalf of S. 1365.

(The statements referred to follow:)

STATEMENT OF HON. KARL E. MUNDT, U.S. SENATOR FROM THE STATE OF SOUTH DAKOTA, ON S. 2244

Senator MUNDT. Mr. Chairman, as one who lives in an area where there is a large number of Indians, I am well aware of the needs of our Indian neighbors on reservations. The passage of this bill will do something to give some assistance to Indians who certainly deserve whatever consideration we can work out for them.

Health problems constitute a pressing need for many Indian tribes. It is conceivable to me that there may be equipment and material available from time to time to assist the Indian people in their efforts to improve sanitary conditions or to meet special health situations.

Schools and education can also be put in the shortage category on Indian reservations. From time to time, there may be surplus property available which can successfully contribute to alleviation of education deficiencies.

Roads and transportation, on a number of reservations, is one more area where much more can be done to assist Indian tribes.

Housing is always in short supply. The Congress and the Government could well make a special effort in this field. However, in the meantime passage of this legislation could offer some relief in this matter.

Enactment of this legislation is only simple justice, Mr. Chairman. We ought to have done it when the original act was passed. Every supporting argument in favor of making surplus property and equipment available to other segments of our society can be applied twofold in the case of our American Indians.

If there is any member of the committee who has any doubts about the need for assistance, or the merit of the argument in favor of this legislation, I would invite him to visit some of the Indian reservations in the United States. On nearly all of them there is near poverty. Most of them are overcrowded with little or no opportunity for economic advancement. The Indian population, because it has been hemmed in, denied opportunity, has a cultural lag equal to about the last 50 years of advancement in the United States. This has been due to no fault of their own.

Whenever we can, by some amendment to an existing law, include Indian tribes on the same equal footing with other people in this Nation, we ought not to avoid the opportunity. Therefore, I hope that the committee will report this measure quickly so that it can be approved in this session of Congress.

STATEMENT OF HON. GEORGE McGOVERN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF SOUTH DAKOTA

Mr. McGOVERN. Mr. Chairman and members of the committee, I am grateful for this opportunity to testify in behalf of legislation to promote the welfare of the Indian tribes by making available to them surplus personal property. Representing the First District of the State of South Dakota, with a heavy Indian population and several major reservations, my interest in S. 2244 has led me to introduce identical legislation in the other Chamber.

Under existing law, 40 U.S.C., paragraph 484 (j)-(k), the General Services Administration is authorized to donate federally owned surplus personal property to State agencies for use in State and local health, education, and civil-defense programs, or for redistribution to private, nonprofit organizations having the same purposes. The general intent of Congress in making surplus property available to

these institutions is expressed in Senate Report No. 351, May 17, 1955, accompanying H.R. 3322 (84th Cong., 1st sess.), as follows:

Since the end of World War I the Congress has enacted some 15 separate provisions of law making available to educational and health institutions quantities of surplus property acquired largely for war activities. Recognizing that sufficient property has not been available for essential public welfare purposes because of wartime requirements and expenditures, the Congress has repeatedly approved the donation of surplus property to educational and public health institutions when found to be useful and needed for educational and health purposes. The Congress has been fully aware of the small return to the Treasury from the sales of surplus property made to date and the large profits made by speculators, and has found that the general public good is best served under this procedure.

These bills would make Indian tribes equally eligible to receive donations of federally owned surplus personal property for beneficial purposes. The proposed legislation can be justified on the same grounds as the law already in effect. In addition, passage of the bill clearly seems desirable in view of the special relationship of the United States as guardian and trustee for Indian tribes and the special interest of the United States in Indian welfare. Certainly, there is no reason why Indian tribes should not be on a par with State agencies and private, nonprofit organizations in receiving grants under the act.

The need of Indian tribes to become eligible for donations of federally owned surplus personal property cannot be disputed. According to the Department of Health, Education, and Welfare, the "poorest, sickest, and least educated" of any racial group in the United States are our Indian citizens. Immeasurable benefits to a deserving people thus would be worked by the distribution of surplus Government clothing to the tribes, perhaps in the same manner as the surplus commodities program now operates. Other obvious benefits can be achieved by the distribution of surplus equipment for use in tribal youth employment programs, which are doing so much to combat juvenile delinquency, and for use in tribal range improvement programs, which are doing so much to rehabilitate the economy of Indian communities. Indeed, the potential benefits are limited only by the availability of surplus property for distribution.

At the same time, S. 2244 amply protects the interests of the Government. In the first place, the Administrator is authorized to promulgate regulations governing the donation of property to the tribes and, secondly, no donation can be made unless—

the Secretary of the Interior shall first have determined that such property is needed by such tribe, band, or group for an approved program, and that tribal funds cannot reasonably be made available for the acquisition of such property.

Thus, the interests of the United States, the tribes, and the public all demand that the proposed legislation be enacted.

AMERICAN ASSOCIATION FOR STATE AND LOCAL HISTORY,
Madison, Wis., July 28, 1959.

Senator ERNEST GRUENING,
Chairman, Committee on Government Operations,
U.S. Senate, Washington, D.C.

DEAR SENATOR GRUENING: The American Association for State and Local History respectfully requests that the Senate Committee on Government Operations carefully consider its recommendations for extending the surplus property donation program to State and local historical societies and agencies. This aid would help historical agencies immeasurably in carrying out their important

work of preserving the heritage of their communities. These organizations, both statewide and local, collect and preserve manuscript and archival records. Scholars of American history throughout the Nation are indebted to them for building important research libraries. Historical agencies restore and safeguard historic houses and buildings, mark historic sites, and commemorate the anniversaries of historic events. The work of promoting State and local history in the schools has reached enormous proportions. Museums of history, traveling exhibits, pageants, popular publications, and radio and television programs bring to the general public the great story of the American experiment in political and economic democracy, at a time when conflicting ideologies stand ready to challenge the nature of American institutions.

It is a well-known fact that most historical societies and agencies in the United States operate on very modest budgets. Some depend entirely upon private contributions for their operations, while most rely on both public and private financial support. Competition for State and local government funds has increased drastically in the past few years. State and local historical agencies are finding it more difficult to finance their important adult educational programs; at the same time, the demand for these services continues unabated. The use of personal surplus property would certainly be helpful in alleviating the usually tight budgets for projects of this type.

There is no question that historical societies and agencies are educational institutions. However, within the narrow framework of the definitions worked out by the Department of Health, Education, and Welfare, historical societies and agencies are denied eligibility for surplus property. Section 203(j)(3) of the 1949 law provides, in part, for the distribution of surplus property to "(A) tax-supported medical institutions, hospitals, clinics, health centers, school systems, schools, colleges, and universities, and (B) other nonprofit medical institutions, hospitals, clinics, health centers, schools, colleges, and universities which are exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954." Yet, in most States the historical society, commission, or department of archives and history is a State agency, and is specifically designated an educational institution by statute. All are incorporated as nonprofit educational institutions and are exempt from taxation under section 501(c)(3) of the 1954 Internal Revenue Code. While some historical agencies conduct formal classroom courses, with regular faculty, most stress the multifaceted and far-reaching work that needs to be done in the field of informal education for both children and adults.

Strangely enough, the inability of historical societies to receive surplus property has interferred with normal collecting activities. About a year ago the State Historical Society of Wisconsin was declared ineligible to receive the surplus presidential car, the Ferdinand Magellan, for its National Railroad Museum at Green Bay, Wis., because it did not meet the narrow requirements of the law.

There are several proposals now pending before your special Subcommittee on Government Operations. Although none directly involves historical societies and agencies, the council of the American Association for State and Local History strongly advises that either the present law governing the distribution of Federal surplus property be amended to qualify historical societies and agencies to receive Federal surplus property, or that section 203(j)(3) of the law be interpreted more broadly so that historical societies and agencies could qualify as educational institutions to receive surplus property under the present law.

Your consideration of this request, and its incorporation into the written reports of the hearings, will be greatly appreciated by the members and council of this association.

Sincerely yours,

CLEMENT M. SILVESTRO, Director.

Hon. ERNEST GRUENING,

Chairman, Subcommittee of the Senate Committee on Government Operations,
U.S. Senate, Washington, D.C.:

NEWARK, N.J., July 28, 1959.

May we for the record present the following statement: We regret exceedingly our current attendance at the First International Conference on Mental Retardation being held in Portland, Maine, prevents us from appearing in person at this hearing to testify in behalf of Senate bill 1365 which would authorize the donation of surplus property to certain welfare agencies.

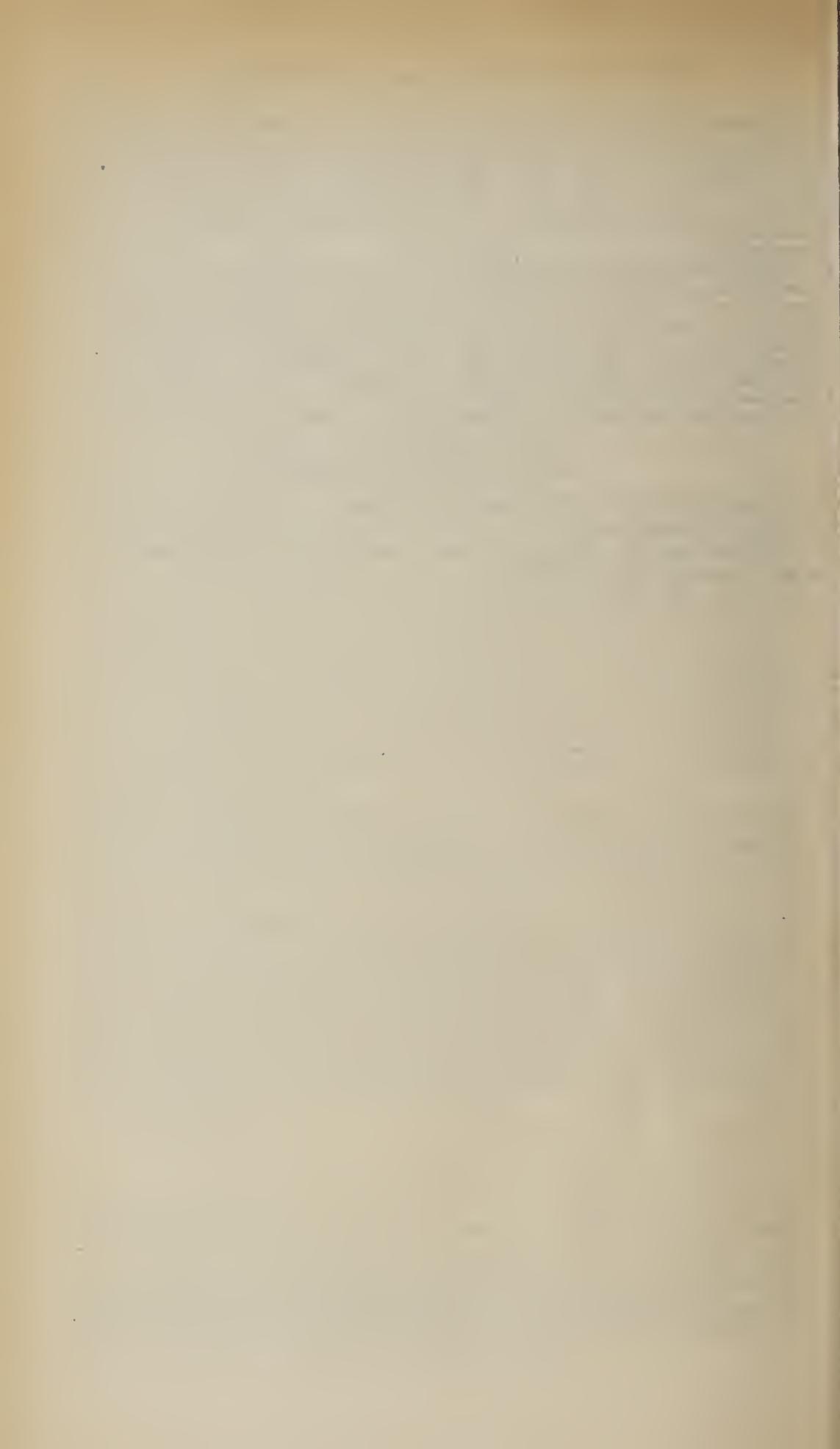
We understand that there is some opposition to the passage of this bill based on existing administrative problems which may be faced in the disposition of surplus property. Notwithstanding we believe that the amount of benefit which can be derived from the donation of surplus property in support of our local recreation and the welfare programs will far outweigh these administrative problems. Many of our local member units find themselves struggling to maintain themselves and few have any sure fiscal or tax base under which they operate.

Enabling our member units which provide both recreational and vocational rehabilitation training programs through sheltered workshops and the like to qualify for Federal surplus property would further and extend their programs and aid in their efforts to rehabilitate an increased number of the mentally retarded in our country. This is in keeping with the public interest and the intent of the law. The activities of our local units will in the future save governmental assistance agencies millions of dollars. We submit that aid to at least one million retarded is of sufficient national interest to make it advisable to discount any administrative difficulties which may be encountered.

NATIONAL ASSOCIATION FOR RETARDED CHILDREN,
VINCENT J. FITZPATRICK, *Secretary*.
GUNNAR DYBWAD, *Executive Director*.

Senator GRUENING. The committee will recess until tomorrow at 10 o'clock in the morning.

(Whereupon, at 12:45 p.m., the committee was recessed until 10 a.m., Thursday, July 30, 1959.)



EXPANSION OF DONABLE PROPERTY PROGRAM

THURSDAY, JULY 30, 1959

U.S. SENATE,
SPECIAL SUBCOMMITTEE OF THE
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The special subcommittee met, pursuant to recess, at 10 a.m., in room 3302, New Senate Office Building, Senator Ernest Gruening (chairman of the subcommittee) presiding.

Present: Senator Ernest Gruening.

Also present: Walter L. Reynolds, chief clerk and staff director; Ann M. Grickis, assistant chief clerk; and Glenn K. Shriver, professional staff member.

Senator GRUENING. The hearing will be in order.

Senator Stennis, we shall be happy to hear you on S. 1018, a bill to authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work, and for other purposes.

Senator STENNIS. Mr. Chairman, I certainly want to express my appreciation for having a chance to be here with you and your subcommittee. I am going to be fairly brief. I am going to ask permission, Mr. Chairman, to, if I may, insert my statement in the record as an original, and then save time for you by summarizing the major points in it.

Senator GRUENING. That would be very kind, if you do it that way.

STATEMENT OF HON. JOHN STENNIS, U.S. SENATOR FROM THE STATE OF MISSISSIPPI

Senator STENNIS. Mr. Chairman, my distinguished and good friend, Senator Kerr of Oklahoma, has expressed a very special interest in this proposed legislation and asked me to urge the committee in his behalf to favorably report a bill which will permit the extension service to receive surplus property.

Senator GRUENING. Thank you, Senator Stennis.

Senator STENNIS. Mr. Chairman, I appreciate this opportunity to appear before your subcommittee in support of my bill S. 1018. The primary purpose of this bill is to simplify the procedures for distributing surplus property to the cooperative agricultural extension service.

Under existing law, the extension service is eligible to receive Federal surplus property as an educational agency, provided qualifications established by the Department of Health, Education, and Welfare are

met and provided such property is not needed by other eligible agencies at the State level. My bill would accomplish the following:

1. It would place the State and county extension services on the same basis as the State educational, public health, and civil defense agencies now receiving surplus property. It would change existing law by requiring the Secretary of Agriculture, instead of the Department of Health, Education, and Welfare, to issue regulations and to determine the types of property which would be suitable and necessary for agricultural extension work, and authorize the Secretary of Agriculture to allocate this property on the basis of need. Under this procedure the State and county extension services would request, through the authorized State agency, surplus office equipment and other items needed to carry out their educational program.

2. My bill would also permit the transfer, without cost, of excess Federal property in the custody of the county extension services occupying space controlled by the Post Office Department or General Services Administration. Such property is currently being transferred by the Post Office Department and GSA to Federal agencies occupying space in these buildings. Under present law, the extension service is not permitted to receive this excess Government property directly. This means that excess property of Federal agencies located in the same building and being used by the extension service must be disposed of or transferred at Government cost to warehouses or other points of use.

At the present time county extension services occupy Federal space controlled by the Post Office Department or General Services Administration in over 500 county locations. The furnishings included in these offices consist of desks, chairs, tables, and filing cabinets owned by the Post Office Department or General Services Administration but used by the extension service under arrangements in effect for many years. The Post Office Department has recently advised county agents that they cannot be considered as employees of a Federal tenant agency and has recalled some of the property loaned to these local offices.

I do not know what the final outcome will be in regard to the distribution of this property, but it is certainly an area which critically needs to be clarified and adjusted along the lines recommended in my bill.

Mr. Chairman, the extension service at the State and county level is a basic part of our agricultural program. It is financed jointly on a 50-50 basis by the Federal Government and State and local governments. Many of the items surplus to Federal agencies can be utilized in the cooperative extension program. This includes such things as office equipment and demonstration materials which if made available to the surplus program would permit more extension work with the same amount of money. In many instances the items surplus to Federal agencies are located in the same building or town where the county agent is headquartered.

It has been brought to my attention that objections have been raised by the Department of Health, Education, and Welfare, Bureau of the Budget, and the General Accounting Office to this legislation on the premise that it would greatly broaden the eligibility of agencies receiving surplus property, increase the administrative cost of the property program and create unnecessary delays.

Mr. Chairman, I would like to emphasize that the bill which I have introduced does not set a new precedent for distributing surplus property. Under broad statutory authority for cooperative activities, and working in conjunction with the General Services Administration, the Department of Agriculture makes transfers of excess Federal property to soil conservation districts and to State forest fire protection units, and the Department of the Interior transfers excess Federal property to State highway departments. These transfers are made without first declaring the property to be surplus in the technical sense, and have priority over the donations of surplus property for health, education, and civil defense.

My bill does not increase the eligibility of agencies to receive surplus property, as the extension service is already legally eligible under the education clause of present law, provided they meet requirements of the Department of Health, Education, and Welfare. My bill merely simplifies the procedure in making available surplus property to an agricultural agency already financed to a great extent by Federal funds. The administrative authority for distributing surplus property to the extension service would be placed with the Secretary of Agriculture. This should strengthen the program and provide a means by which surplus property could flow efficiently to this important agricultural-educational agency.

My bill would also provide a means whereby the cooperating States could carry out work authorized by the Congress, using excess property of the General Services Administration or the Post Office Department in meeting part of their needs.

Mr. Chairman, our State and county extension service program is an outstanding example of Federal and State Cooperation. This agency has made and is making a lasting contribution to agriculture. It can utilize to a great advantage surplus office equipment and other personal property, and the law should be amended to give the extension service the same status as other State agencies, now receiving surplus property and permit it to receive surplus items it critically needs. The bill which I have introduced provides a sound approach for making the best possible use of surplus property, and I hope that your committee will give full approval to this bill at the earliest possible date.

Thank you. May I state, too, that at the request of the committee, at my request, too, Mr. Ferguson, the director of the extension service, is also here as a witness, and this pertains particularly to his department.

Senator GRUENING. We will hear him immediately after you.

Senator STENNIS. He is familiar with all the technical parts of the law and the practical parts of this problem. I want to express my appreciation for him being here, and also for you to hear him.

Mr. Chairman, the purpose of this bill is to make the agricultural extension service fully eligible to receive what we might call surplus Federal property in the nature of office furniture and fixtures, visual aids equipment (projectors, cameras, screens, and so forth), public address systems for outdoor and indoor use, furniture for 4-H camps (chairs, beds, and so forth), and related matters. Technically they are eligible now, provided qualifications established by the Department of Health, Education, and Welfare are met and provided such

property is available after distribution to other agencies at the State level. My bill would place the county extension service on the same basis as the State educational, public health, and civil defense agencies now receiving surplus property. It would change existing laws by requesting the Secretary of Agriculture instead of the Department of Health, Education, and Welfare to issue regulations and determine the type of property which would be suitable and necessary for agricultural extension work. Under present procedures the State and county extension services would request through the authorized agency surplus office equipment and other items needed to carry out the educational program.

I also understand that, under the law the extension service does not have the rating of being a Federal agency. And, for that reason alone, as a practical matter, they are precluded from being eligible to receive this surplus furniture and fixtures that are found in these Federal offices throughout the country. And the narrow purpose of this bill is to make them fully eligible and put them on a priority of equality with the others.

Senator GRUENING. You want them to be on an equality with health, education, and civil defense?

Senator STENNIS. Yes, sir, and on an equality with the Farmers Home Administration, the Soil Conservation Service, or any of the other groups that operate particularly at the county level.

And that is where the trouble is, that is what I am trying to relieve, is at the county level. And it is such an extreme position now, Mr. Chairman, that we will say a post office department in a small town has some extra chairs or filing cabinets, and in that same building is located the extension service, the county agent, we say, and the home demonstration agent—it is the cooperative extension service. Under the present law, the postmaster is not permitted to transfer that property to the county extension office, even though it is in the same building. If they dispose of it, they have to box it up and send it away. And here is this other agency standing there with open hands and empty hands and wanting it and needing it.

Now, it is to meet a situation like that that this narrow compassed bill is introduced.

As I say, Mr. Ferguson has this problem nationwide, and he will explain it to you in a few minutes.

Now, to illustrate just how it does work, let me give a background statement, and then a case.

At the present time, the county extension services—I am sure the chairman is familiar with the nationwide network of the county agents.

Senator GRUENING. Oh, yes.

Senator STENNIS They operate through the State colleges.

Senator GRUENING. I am familiar with it.

Senator STENNIS. It is a wonderful program, the oldest one of them all, the parent, the forerunner, the pioneer.

At the present time, county extension services occupy Federal space controlled by the Post Office Department or General Services Administration in over 500 county locations. The furnishings included in these offices consist of desks, chairs, tables, and filing cabinets owned by the Post Office Department or GSA, but used by the extension

service under arrangements in effect for many years. But the Post Office Department has recently advised county agents that they cannot be considered as employees of a Federal tenant agency, and has recalled some of the property loaned to these local offices.

Now, I don't say this critically of those departments. The law just needs clarification on this point.

At this point, I would like to insert in the record a copy of a letter from the postmaster at Houston, Miss., to the county agricultural extension agent, dated April 20, 1959, and also a letter dated May 26, 1959, between these two parties which rescinds a transfer—an excerpt from the rescinding letter reads as follows:

We have been advised by the Regional Operations Director, Post Office, that county agents shall not be considered Federal tenant agencies in our building, and that we should rescind the transfer we made to you on April 20, 1959.

(Letters referred to follow:)

U.S. POST OFFICE,
Houston, Miss., April 20, 1959.

Mr. C. B. BETTERTON, Jr.,
Extension Service, Houston, Miss.

DEAR MR. BETTERTON: Following is a list of items of furniture which is hereby transferred without reimbursement from the Post Office Department to your agency. You are reminded of your responsibility for maintaining adequate inventory controls and accountability systems for the property under your control in accordance with provisions of section 202(b) of the Federal Property and Administrative Services Act of 1949 as amended.

Quantity	Special No.	Name and description of article	Cost
3-----	304-B-----	Swing room tables, oak with maple top, 36 by 72 by 30 inches, each-----	\$11.17
15-----	26-C-17600-----	Chairs, wood, splint seat with rods, 18-inch oak, medium, golf, each-----	2.11
1-----	26-L-2920-----	Single tier steel locker, olive green, 15 by 15 by 78 inches-----	-----
2-----	26-L-2920-----	Group of 3 steel locker, olive green, 15 by 45 by 78 inches-----	-----
1-----	26-C-4245-----	Letter size steel transfer case, single case complete, olive green, 14 by 27 by 52 inches.	59.00
4-----	202-C-----	Racks, 12 by 36 by 74 inches, steel, olive green-----	-----
1-----	26-D-3830-----	Storage cabinet, metal, 18 by 48 by 78 inches-----	35.25
3-----	26-D-4830-----	Desks, 60 by 34 inches, oak, double ped., gold finish, each-----	24.51
1-----	26-D-5830-----	Typeewriter desk, 60 by 34 inches, left ped., oak, gold finish-----	29.97
1-----	26-C-12220-----	Typewriter desk, 44 by 32 inches, left side drop, oak, gold finish-----	22.46
2-----	26-C-14010-----	Rotary arm chair, No. 1-C oak, gold finish, each-----	12.60
5-----	26-C-14010-----	Typist chairs, light-weight metal, padded seat, each-----	4.90
		Receptacles, wastepaper, metal-----	-----

Property listed herein is in use and is necessary for the performance of authorized functions.

C. B. BETTERTON, County Agent.

OFFICE MEMORANDUM, POST OFFICE DEPARTMENT

MAY 26, 1959.

Subject: Transfer of Post Office Department Furniture.

From: Postmaster, Houston, Miss.

To: Mr. C. B. Betterton, Jr., County Agent, Houston, Miss.

We have been advised by the Regional Operations Director that county agents shall not be considered Federal tenant agencies in our building, and that we should rescind the transfer we made to you April 20, 1959, of the following furniture.

Quantity	Special No.	Name and description of article
3	304-B	Swing room tables, oak with maple top; 36 by 72 by 30 inches.
15	26-C-17600	Chairs, wood, 18 inches.
1	26-L-2920	Single tier steel locker 15 by 15 by 78 inches.
2	26-L-2920	Group of 3 steel locker, 15 by 45 by 78 inches.
1	26-C-4245	Letter size steel transfer case, 14 by 27 by 52 inches.
4		Racks, 12 by 36 by 74 inches.
1	202-C	Storage cabinet, steel, 18 by 48 by 78 inches.
3	26-D-3830	Desks, oak.
1	26-D-4830	Typewriter desk, 60 by 34 inches.
1	26-D-5830	Typewriter desk, 44 by 32 inches.
2	26-C-12220	Rotary arm chair.
2	26-C-14010	Chair, lightweight metal.
5		Receptacles, wastepaper, metal.

Please acknowledge that the property listed above is in use by your office for the performance of authorized functions.

Sincerely,

JACK T. HOLLEMAN, *Postmaster.*

I hereby acknowledge that the above-listed furniture (Post Office Department owned) is being used by this office for the performance of authorized functions.

C. B. BETTERTON,
County Agent, Houston, Miss.

Senator STENNIS. Now, there is a clearcut illustration of how technical and sticky this thing has become. This wasn't done on the merits. It was done by this agency under strict mandate and interpretation of this law that ought to be clarified.

Now, let me state, Mr. Chairman, I am not asking for any loose administration of this property. I think that everything ought to be carefully guarded. What I am interested in is getting these fine county extension people made eligible for this property, and on a priority rating equal with other agencies at the State level because I know at the county level they are just as important as any, just as deserving—I won't say more so—but they are the pioneers, and they are the trailblazers, and they are the ones that laid the groundwork and paved the way for all of our fine agricultural agency programs that we have today.

Senator GRUENING. Senator, I should like to ask you one or two questions. You would include only in this furniture and fixtures? You have not thought about agricultural implements, tractors, and so forth?

Senator STENNIS. No; I am not thinking in those terms.

Senator GRUENING. This is just for desks, and chairs, and filing cabinets?

Senator STENNIS. That is correct. I am centering on that alone in this bill.

Senator GRUENING. Now, are you aware that the agencies concerned, the GSA and the Department of Health, Education, and Welfare, are opposed to these various bills?

Senator STENNIS. I understand they are.

Senator GRUENING. They have testified in opposition.

Senator STENNIS. I understand that. And I respect them. But I can't see how they can find any solid ground to stand on. I want to make it clear I am not here criticizing them. Mr. Floete, I personally know. But this thing has got to be handled some way, and some kind of a fight has got to be made, Mr. Chairman, for these things.

Senator GRUENING. Well, I just thought I should inform you that the official agencies concerned are opposed. Their position, as expressed here, is that there won't be enough to go around if we broadened the number of agencies and purposes to which this surplus should be allocated. I am not prepared to say that the committee would agree with that view. But I think you should know that was the view presented.

Senator STENNIS. Well, I don't suppose there would ever be enough to go around to all of them. But it has reduced itself to a practical matter that so far as these agents are concerned these extension people are certainly entitled to share in whatever availability there is. And, particularly, at these local points, there can be a surplus, perhaps.

Mr. Ferguson, you are the Administrator of the Federal Extension Service of the Department of Agriculture, and you are going to testify on Senator Stennis' bill, or any other bill you wish.

Will you proceed?

STATEMENT OF C. M. FERGUSON, ADMINISTRATOR, FEDERAL EXTENSION SERVICE, DEPARTMENT OF AGRICULTURE, ACCOMPANIED BY JOSEPH P. FLANNERY, DIRECTOR OF DIVISION OF MANAGEMENT OPERATIONS, DEPARTMENT OF AGRICULTURE

Mr. FERGUSON. Thank you, Mr. Chairman. I also have with me Mr. Flannery, who is Director of our Division of Operations. There may be some details here with which he is more familiar than I am.

I appreciate the opportunity of appearing before you. The co-operative extension service is financed from Federal, State, and county sources, and the extension agents, who carry on the work, are joint representatives of the Federal Government and the State land grant colleges.

Last year the Federal Government appropriated about \$53 million as its share of carrying out this cooperative program, and this was more than matched by the State and county appropriations for the same purpose.

There are about 11,000 county extension agents under Federal appointment in the more than 3,000 counties in the States and in Puerto Rico. Many of the items that the States and counties now purchase using their own, as well as the Federal funds allocated to them, are the same kind of items which, in many instances, are surplus to the needs of straight line Federal agencies.

If there were a way possible for such surplus goods to be made more available to State and county extension services, the funds so saved could be used for other purposes, for other program needs, and would, in effect, provide for more service to farm and rural people with the same amount of money.

Under present laws providing for the distribution of excess surplus property, our State and county extension services have received very little benefit. It would appear reasonable that the State and county extension services, in carrying out Federal functions under a congressional act, should have some priority in receiving surplus Federal materials.

For many years, county agents have been eligible for office space in federally owned buildings, such as post offices and Federal court-

houses. Currently they occupy such space in about 500 county locations. In the past, the offices were equipped and furnished by the Post Office Department. It is our understanding that arrangements are being made whereby in the future the furnishings and other items of equipment will be purchased by the agency using the space, rather than by the Post Office Department, or the General Services Administration, and that the Post Office and GSA are currently transferring ownership of furnishings to the occupying agencies. Now, this has created considerable confusion, since the Post Office Department and GSA have determined that a county extension service cannot be considered as a Federal agency insofar as the transfer of the office equipment and furnishings is concerned. This bill would correct that situation by having GSA and the Post Office Department donate materials currently used by the extension service in carrying out their work.

As I said, Mr. Flannery, the Director of our Division of Management Operations is with me, and we will be glad to attempt to answer any questions, Mr. Chairman, which you may have.

Senator GRUENING. Well, Mr. Ferguson, I don't know that I have any questions. These bills, by and large, that we are having hearings on, have the same common purpose, to broaden the distribution of surplus property. I have no question that the various agencies that are seeking to share in this bonanza are all worthy, they are all well recognized. And we have to find some way in which we can overcome the objection of the two Federal agencies concerned, the GSA and the Department of Health, Education, and Welfare, that want to keep the distribution on the three categories which now exist, that is, civil defense, health, and education.

Mr. FERGUSON. Thank you ever so much, Mr. Chairman.

Senator GRUENING. Senator Allott, you are here to testify on S. 2198?

STATEMENT OF HON. GORDON ALLOTT, U.S. SENATOR FROM THE STATE OF COLORADO

Senator ALLOTT. That is correct.

Mr. Chairman, it will not take me long to explain why I introduced S. 2198 on behalf of myself and my colleagues, Mr. Langer, Mr. Holland, Mr. Kerr, and Mr. Monroney; nor why I believe it should be approved by this committee and the Congress.

The bill would simply allow certain groups, now eligible to receive surplus property, to take such property overseas, which is presently prohibited. The bill does not, in any way, expand the eligibility for surplus Federal property. I want to emphasize that point. The Congress has refused to do this several times, and I accede to that, and I agree with it. I think it is a wiser policy. But this bill does not in any way expand the eligibility. As a matter of law, under the surplus disposal program, eligible agencies must certify they will use the property within the continental United States.

Although I am a cosponsor of S. 1365, to include certain welfare agencies in the list of organizations eligible for such property, I recognize that there are real policy questions involved in any effort to broaden the scope of the surplus property disposal program. I hope that some logical and sound revision in that regard can be developed

by the committee. But, regardless of what action is taken by this committee with respect to the several bills to broaden the scope of this program, I can see no policy objection to allowing American educational organizations operating overseas to take surplus property from this country to be used in their important work in foreign countries.

It may be well that the rather limited scope of this bill should be broadened to include additional American organizations working overseas. I have no knowledge of how many other groups might be interested. It would be my guess that, for the most part, the economics of the situation would preclude any extensive oversea transportation of surplus property made available in this country. But, the Summer Institute of Linguistics, sponsored by the University of Oklahoma and headed by Dr. W. C. Townsend, has pleaded for this assistance, and I believe we should extend it to them. Incidentally, the excellent work they do may be of interest to this committee, and I am, therefore, asking that an article appearing in the Reader's Digest of August 1958, entitled "2,000 Tongues To Go," be made a part of the record of these hearings so that this committee, and other Members of the Congress, may be familiar with the program we are here trying to assist.

Senator GRUENING. It will be included in the record.

Senator ALLOTT. Thank you.

(The article referred to follows:)

[Reprinted from Reader's Digest, August 1958]

TWO THOUSAND TONGUES TO GO

(By Clarence W. Hall)

In the remote jungles of Latin America, living among primitive tribesmen for whom headhunting is still a tempting recreation, is a group of extraordinary young Americans, many of them single girls. Members of the unique Summer Institute of Linguistics, their mission is twofold: to reduce to writing the numerous unwritten languages used by the jungle tribes, and through this means to bring literacy, civilization, and Christianity to Indians who have known little but want and savage superstition. Linked together only by radio and by their own jungle-hopping airline, these daring young pioneers daily confront dangers hazardous enough to blanch the most intrepid armchair adventurer.

Almost half the world's population—some 700 million human beings—can still neither read nor write. "Two Thousand Tongues To Go" is the story of a man who could not help responding to that challenge, and of the remarkable, world-girdling campaign carried on by the gallant organization he created.

When the boa constrictor struck, Loretta Anderson, a slight young woman from Paterson, N.J., was sitting alone in her dugout canoe beside an Indian settlement on the Morona River, deep in the Peruvian jungle. Her partner—Lila Wistrand, a trained nurse from Houston, Tex.—had just climbed the river bank to treat a sick child. Suddenly the giant reptile surged out of the water and lashed at Loretta. Screaming, fighting off the monster, Loretta managed to leap from the canoe, dripping blood from a badly gashed hand and arm. Lila came on the run, dressed her wounds—and an hour later both were back at work patiently teaching the Shapra Indians to read and write.

At about the same time, some 800 miles to the southeast, Esther Matteson, of Oakland, Calif., and Annie Shaw, of Alberta, Canada, fever-ridden themselves, were battling an influenza epidemic that threatened to wipe out the Piro Indians. A couple of hundred miles northeast of them, Mary Ruth Wise, of Lenoir City, Tenn., and Martha Duff, of DeWitt, Ark., aboard a balsa raft loaded with Amuesha Indians, were fighting rapids and treacherous whirlpools on their way to their jungle school. And a birds-eye view of the rest of Peru's 230,000 square

miles of primeval wilderness would have revealed scores of other tiny jungle stations where other young Americans—42 of them unmarried girls of college age—were living dangerously among wild Indians. All for one purpose: to coax aborigines, whose languages have never before been reduced to writing, to learn the mysteries of “the paper that talks,” the printed word.

These young Americans, and some 700 others like them, belong to one of the most determined and effective groups now waging war on world illiteracy: the Summer Institute of Linquistics (SIL), otherwise known as the Wycliffe Bible Translators. Currently at work among 175 different language groups in 12 countries, SIL linguists have a transfiguring glory in their vision. Braving almost unbelievable hazards, they quietly spend their lives analyzing unwritten Indian languages, creating primers and dictionaries, setting up schools and training native teachers.

The man who gives this group their vision is restless, 62-year-old William Cameron Townsend—“Uncle Cam” to his associates—who has spent more than 40 years among Latin America’s Indian tribes. I learned about Townsend recently while hitching a ride across the Andes in a Peruvian military-transport plane. As we swept past a 21,000-foot snow-capped peak and began a long glide down toward the jungle, the young pilot removed the oxygen tube from his teeth and gestured toward the vast wilderness stretching out ahead farther than the eye could see. “Many young Norteamericanos are out there,” he beamed. “You know Senor Townsend and his Instituto Lingüístico?”

When I looked blank, his face expressed pity. “You should go and see,” he said. “Peruvians are proud of what the instituto does for our country.”

During the next few days, penetrating deep into the jungle by tiny missionary plane and tipsy dugout canoe, I did go and see. In Indian villages dotted along the twisting jungle rivers I watched these amazing young Americans conquering, by Christian love, savage peoples whom neither time nor ancient Incas nor Spanish conquistadors had ever been able to conquer. And in their midst, spurring them on, was the remarkable man with the eager heart and the quick, boyish smile, whose dream had catapulted them into this audacious onslaught against ignorance and superstition.

Cam Townsend early developed his urge for spreading the Christian gospel. Back in 1917, when he was 21, he quit Occidental College in Los Angeles, packed a trunk with Spanish-language Bibles, and headed for Guatemala. He soon found his Bibles a drug on the market. More than two-thirds of Guatemala’s population were Indians: few knew Spanish, fewer still showed any hankering to learn.

One day an Indian to whom Cam had offered a copy of the Bible demanded, “Why, if your God is so smart, hasn’t He learned our language?” Then and there, Townsend quit Bible distribution in favor of giving God another tongue.

For the next 15 years he lived with the primitive Cakchiquel Tribe in Guatemala, eating their food (one diet item: toasted ants), mastering their difficult tongue, gradually reducing it to written form. Slowly and laboriously, he developed a simplified method for teaching any phonetically written language.

When finally in 1932, racked with tuberculosis, Townsend rode out again to civilization on a mule, he left the Cakchiquel Indians with five schools, a small hospital, a printing plant, scores of small churches, and hundreds of literate converts to Christianity. In Cam Townsend’s soul was exultation; in his saddlebags was a printed copy, in the hitherto unwritten Cakchiquel language, of the entire New Testament.

Back in the States, while recovering from the TB, he was visited by an old missionary friend, Leonard Legters, who urged him to do for other Latin-American Indians what he had done for the Cakchiquels.

Townsend thought it over, finally said, “OK, Leonard, I’ll tackle it. But on one condition: that you’ll help me found a pioneer training camp where we can train mission candidates in primitive-language reduction and Bible translating. We’re going to need a lot of help to do the job I have in mind.”

As a starter, the two men waded into statistical tomes on illiteracy, and were astounded to find that almost half the world’s adult population could neither read nor write. Even more astounding was the fact that there were in the world some 3,000 separate and distinct languages, more than 2,000 of them without any translations from the Bible at all.

“That’s our goal,” declared Cam. “Two thousand tongues to go.”

In the summer of 1934, Townsend and Legters opened their school in an abandoned farmhouse in the Arkansas Ozarks. For the first session only two

students showed up, but by its eighth summer the school had outgrown the farmhouse—and a renovated chicken coop used for sleeping quarters—and moved to the campus of the University of Oklahoma.

Incorporated as the Summer Institute of Linguistics, this unique school now teaches language analysis to some 500 students annually at the universities of Oklahoma, North Dakota, and Washington, has branches in England, Canada, and Australia. Graduates to date number more than 4,000 are at work in 25 countries under mission boards of 35 denominations, both Protestant and Catholic.

But before being whooshed into SIL's wilderness orbit, the student linguists are put through the wringer during 3 months of rugged "survival tests" at a jungle training camp. Here both men and women must prove themselves able to hand-craft their own jungle huts without saw, hammer, or nails (they use wild-cane poles, and leaves); make balsa rafts and handle dugout canoes through raging rapids and crocodile-infested rivers; cope with wild animals and giant reptiles; administer first aid for everything from broken bones to epidemics; and find their way on 25-mile hikes through unmarked forests, living off the jungle. These who pass these rigorous tests—more than 90 percent—are then sent out for 3 months of living with "test tribes."

As soon as he had trained a few in his linguistic method, Townsend and his students headed for Mexico. They were stopped at the border, bluntly told, "We don't want translators. The Indian languages must disappear." Townsend retorted, "They disappear more rapidly if you use the Indians' languages to teach them Spanish."

With help from two noted Mexicans, educator Moisés Sáenz and Dr. Mariano Silva y Aceves, a linguist, he wormed his way in, settled among the Aztecs in the State of Morelos, started on the long job of learning the language. Today, with the full cooperation of the Government, there are in Mexico 216 SIL translators, working among 51 backward tribes. "We don't look upon you as foreigners any more," a high Government official said recently. "You're real Mexicans."

Typical of Townsend's dedicated workers is Marianna Slocum of Ardmore, Pa. Marianna and her fiance studied at SIL, preparing to go together to the Tzeltals, a tribe numbering some 40,000 in the State of Chiapas. When her fiance died just before the wedding date, Marianna insisted on following their gleam alone.

"My family was horrified," she says. "But they came around."

After mastering the complicated language, Marianna prepared school texts, started reading and writing classes and—in 16 years—founded seven thriving bilingual schools, translated into Tzeltal a raft of books and pamphlets introducing the tribesmen to the Mexican national culture. Along the way, she managed to banish witchcraft, thievery, and drunkenness from large sections of the tribe, replace witch doctors' nostrums with modern medicine and convert 5,000 Tzeltals from sun worship to Christianity.

Last December, as Marianna packed up to move on to another dialect, a leading Mexican magazine, *Tiempo*, made her the subject of a 16-column cover story that proclaimed her "the architect of a transformed situation." She had lifted an entire Indian nation "from barbarism to civilization."

Meanwhile, word of SIL's achievements in Mexico was spreading to other Latin-American countries. Peru was first to respond to Cam Townsend's offer of trained linguists.

In the summer of 1945, at the invitation of President Manuel Prado, Townsend spent months surveying the Peruvian jungle, visiting tribal headmen, sounding out their willingness. Then he brought in workers for three of the most remote tribes. To get to them, the young North Americans had to travel for weeks by canoe and raft, beat their way through almost impenetrable jungle, detour around tribes noted for killing white men on sight.

This harrowing experience convinced Townsend of one thing: "We've got to have a plane." A U.S. Marine mission at Lima was about to scrap an old Grumman amphibian. The Peruvian Government, with a generous assist from a Townsend admirer in California, bought it for him, and to fly it Townsend recruited Larry Montgomery, a former Air Force combat flier. Today Montgomery is superintendent of JAARS (Jungle Aviation and Radio Service), SIL's air arm.

JAARS now has a fleet of 19 planes, 21 pilots, plus crews of maintenance men and skilled radio technicians. Most of the aircraft are equipped with pontoons for river landings. Pride of the fleet is the Helio Courier, a lately developed stallproof, spinproof all-metal plane that can take off or land in 75 yards at only 30 miles per hour, when fully loaded, cruise at 160 miles per hour and as high as 23,000 feet, turn in a small radius at low speeds and, using an ingenious winch, can hoist a man out of the jungle while flying a tight circle close to the ground.

Last year Townsend's daring pilots flew more than a million and a half air miles over the "green hell" of Peru's Amazonia without a single injury to any passenger or crewman. Daily they put their planes down safely on postage-stamp landing strips gashed out of the jungle or make tricky river landings on crocodile-infested waters. As Omer Bondurant, 35-year-old veteran of a World War II night-fighter squadron, told me, "We do our best, then leave the rest to God."

When Townsend is not gadding about the world scouting out hitherto un-reached Indian tribes, recruiting college youths, selling governments on his literacy program, he is "at home" at Yarinacocha, the staging area for SIL's Operation Peru. A 400-acre slash in the jungle, this base is a humming beehive of activity devoted to one end: the servicing and supplying of the young linguists who are currently at work among 29 of Peru's 45 different tribal groups, each with its own distinct language, customs—and jeopardies. Catch him at home and Townsend will take you through the big base sprawled out along the shores of Lake Yarina. Here are the hangars, repair shops and airstrips for his air force. Here, too, are the jungle-style residences for 175 workers and their families; a medical clinic; commissary; cafeteria and dormitories for tribal workers constantly passing in and out; a printing shop where tribal primers, dictionaries and other reading materials are manufactured—some 18,000 volumes last year. Here, also, are classrooms where Indians brought in from their tribes may be given advanced training under ministry of education supervision, taught Spanish, then returned as teachers of their own people in newly established government schools.

Nerve center of the jungle base is Radio Central, a control tower manned day and night to keep contact with linguists out among the tribes. Townsend has bought, scrounged or had given him enough war-surplus radio sets to bind his whole far-reaching jungle program into radio network.

Dramatic incidents proving the network's value occur with alarming frequency. There was, for example, the time when an SIL team used its transmitter to quash a tribal war in the making. While among the Cashinahuas (known as the Bat People), Eugene Scott and Kenneth Kensinger found their tribe seething one day with war preparations. The Cashinahuas had just heard a rumor that one of their men, who had married into the neighboring Culina tribe, had been the victim of a witchcraft slaying by his in-laws. Brandishing spears and bows and arrows, they shouted, "Death to all Culinas."

"How do you know the rumor is true?" Scott asked the Indians. "Come, let's check."

Mystified, the warriors crowded around the transmitter while a call was put through to an SIL team living with the Culinas. In a matter of minutes the voice of the "murdered" man, 100 miles distant, was reassuring his kinsmen: he was not only alive but was being treated well by "our friends the Culinas." The warriors dropped their weapons. Their chief asked to speak to his Culina opposite number, invited the Culinas to a big feast. Three days later what might have been a bloody battle was turned into an intertribal whoopla for peace.

Linguists in the jungles are required to make radio contact regularly; if they are "off the air" too long, a plane is dispatched to discover why. A staff of radio technicians circulates regularly among the stations to see that transmitters and receivers are in top condition.

On occasion the radio tower at Yarinacocha knits SIL's whole sprawling operation into a network of prayer. The operator on duty may alert the entire network as follows: "For the next hour Pilot George Insley will be over jungle area where he cannot land. * * * Wes and Eva Thiesen report their Indians threatened with flash floods. * * * Uncle Cam leaving today to address college groups in States, seeking new workers. * * * Pilot Don Smith forced down on river, engine trouble. All request your prayers. That is all."

The girl linguists—the "dedicated daughters of Uncle Cam," as they call themselves—go out into these incredibly dangerous places as casually and eagerly as their sisters at home explore a shopping center. And they seem to make out better than the men—probably because the Indians are less suspicious of them. As Dr. Townsend says, "The Indian chiefs think, 'They're only women. What harm can they do? Like as not they're looking for husbands.'"

Townsend was at first skittish about sending girls into unpredictable tribal situations alone. But he was shamed into it when, several years ago, two volunteers demanded, "You say that God takes care of His own. Doesn't that include us?"

He let them go. "And of course God honored their faith," he says. "He has taken perfect care of them."

In all Peru I found no better example of this care—or of the amazing courage of SIL's girl linguists—than Loretta Anderson, pioneer among the Shapra tribe.

Eight years ago the Shapras, vicious killers and headhunters, were among the most feared of Peruvian tribes. Their chief, Tariri, had attained leadership by the simple device of slaying his predecessor in cold blood, then daring any warrior to dispute his authority. Then one day in 1950 Loretta, with her first coworker, Doris Cox, paddled up to his village in a dugout canoe. Climbing the river bank, between rows of glowering tribesmen momentarily immobilized by such audacity, the two slender white girls faced the chief. Using a few Shapra words picked up from a trader downriver, plus sign language, they told him they had come to live among his people and study their language.

Tariri stared at the two girls in a long silence. Then he crisply ordered that they be assigned a hut, with a couple of older Indian women to help them with whatever they were after. Years later he confided to Townsend, "If you had sent men, we would have killed them on sight. Or if a couple, I'd have killed the man and taken the woman for myself. But what could a great chief do with two harmless girls who insisted on calling him brother?"

The jungle surrounding their hut had its beauty: clouds of lavishly colored butterflies fluttering through shafts of brilliant sunshine that pierced the foliage when the rains stopped; gaudy toucans, macaws, and umbrella birds swooping through the trees. It also had its sinister sounds. At night, from the dripping forest, came the cries of howler monkeys and the jaguar's coughing roar.

Most discomforting were the hordes of flying and crawling things: gnats that swarmed about them by day; the ants and cockroaches that came out of every crevice of their hut, the big spiders that crawled over their bed nets at night.

"We were scared most of the time during the first 5 months," Doris and Loretta will tell you. "But when we trembled the most we prayed the hardest."

They prayed hard one night when, while they were working over their notes by candlelight, an Indian woman burst in with alarming news. The men of the tribe, winding up a drunken feast, were even now reeling down the path to the hut, loudly proclaiming their intention to rape the white girls. "You must hide!"

The girls fled to the forest, spent the night there. Next morning, returning to their radio transmitter, they called Yarinacocha, 400 miles away.

"Bring Tariri to the radio," said the base director.

The chief, who understood Spanish, heard a stern voice coming from the black box. It said, "You are the chief—and you can't control your tribe?"

His authority challenged, Tariri drew himself up with solemn dignity. "I am the chief," he said. "I promise that the señoritas will not be harmed."

And they weren't, then or later.

Amid such harassments, Loretta and Doris buckled down to the agonizingly slow job of learning the language, desperately trying to distinguish one sound from another in the exotic jargon that swirled about them. After several months the white girls' persistence, plus their many kindly acts, melted the Shapras' suspicions. Flattered by the girls' earnest attempts to master their language, the Indians readily gave them words for objects pointed at, and the language notebooks began to fill up with Shapra words and phrases. As soon as they had a phonetic alphabet worked out, Doris and Loretta began the long task of producing primers, teaching Shapra children to read and write. Along with Shapra folk stories and legends, they translated a few verses from the Bible.

Abruptly one day Chief Tariri joined a little group the girls were teaching. He stood, frowning, as the lesson went on. After hearings the first Scripture verse translated into his own language, he broke in to ask that it be repeated again and again. Finally he exclaimed, "My heart understands with a leap!"

To Doris and Loretta he said, "When you came, I did not understand why. Now I know. What you are doing makes my people happier and better able to care for themselves."

Thereafter the chief appeared regularly at the girls' hut, would sit for hours helping them get the exact meanings of words, write down tribal stories, translate more Bible verses. And as he did so, Tariri began to show signs of subtle change. One day in 1953, 3 years after the girls had come to his village, he called his Shapras together for a dramatic announcement.

"I like this white girls' God," he said. "He has brought us many good things. I'm going to stop worshiping the *boa*."

In the following months, Doris and Loretta were convinced that Tariri was indeed changed. Not only did he put aside snake worship, but, one by one, without being asked to, he shrugged off *witch-doctor* practices, outlawed murder, abolished head-shrinking.

In 1955, when Townsend arranged a celebration of SIL's 10th anniversary in Peru, he took Tariri with him to Lima. With Loretta translating for him, Tariri talked unabashedly with Peru's president, newspaper editors, groups of school children. Every inch a chief, even in the white man's jungle, he held his head high, told Loretta, "Speak up, leave out nothing I say."

Two years later, in June 1957, Townsend arranged for Tariri and Loretta to go to Hollywood to appear on Ralph Edwards' "This Is Your Life" TV show. The program featured Rachel Saint, an SIL translator who had helped Loretta briefly with the Shapras but who is now writing the language of the Aucas, savage slayers of her brother, Nate Saint, and four other young missionaries. Tariri caught the fancy of viewers: millions will remember how he stood proudly self-possessed, stared boldly into the camera's eye and testified with simple dignity to his new-found faith.

The quality of Tariri's commitment to Christian precepts underwent a fiery test when, returning to his jungle fastness, he was attacked by an enemy group. He was shot through the chest, and others of his Shapras were slain. Jungle law called for bloody reprisal, but Tariri's faith was strong. He issued an order for his revenge-hungry Shapras to simmer down, called the girls to him and said, "Read, please, where God says, 'Return not evil for evil.'"

Today there are a number of Shapra schools going, with primers and other teaching tools in the Shapra language. Young tribesmen now in training will shortly become qualified teachers. Nearly 100 Shapras have followed Tariri in accepting Christianity. The Gospel of Mark, in the Shapra tongue, is completed and ready for printing. Still, the work is far from done. Another 5 to 7 years must be spent with the Shapras before the girls can move on to another tribe and another long battle with a new tongue.

I discovered this same attitude among every SIL linguist group I met. Hardest pressed are those who work with tribes whose languages are multitonal. In one such tribe, the words for "sinner" and "fat person" are the same: the tone used spells the difference. One day, teaching that "God loves the sinner," the worker saw bewilderment on his Indians' faces. To his dismay he discovered he'd been asserting that "God loves the fat person." Since few in the tribe were fat, he was "shutting out a lot of them from Divine favor." He quickly shifted to the right tone.

But the SIL people have to sandwich their linguistic work in between treating countless ills. For, in dispatching a pair of workers into the jungle, Townsend likes to have one of them a trained nurse, and both must be prepared to cope with the health emergencies which arise in dismaying abundance. Pneumonia is rife—and deadly. Common, too, are elephantiasis, yaws, and an ulcerating disease called leishmaniasis which, transmitted by a sand fly, destroys nose and throat passages and brings death from starvation.

I found a good example of the linguist-nurse in Jeannie Grover, a serene, brown-eyed girl from Pateros, Wash. Jeannie's tribe is the Aguarunas, a branch of the headhunting Jivaros, largest Indian grouping (10,000) in Peru's Amazon Basin. Among them Jeannie and her partner, Millie Larson, from Solway, Minn., have established 11 bilingual schools. In one-room, thatch-roofed schoolhouses scattered over the jungle-covered hills, some 600 little boys and girls are taught by Aguaruna men who, a few years ago, could not read or write their own language but who are now proficient in both it and Spanish. In June 1956 the 11 teachers from these schools went to the polls to vote in the Peruvian elections—for the first time in Aguaruna history.

Jeannie's and Millie's hut is in a tiny patch of clearing, edged on one side by the tumbling Marañon River, on three others by dense jungle. When not off fighting their enemies, Aguaruna men mill about the clearing, fondling their blowguns and poison-tipped darts, laughing and talking. I commented that the Aguarunas, with their reputation as murderous head-shrinkers, looked pretty formidable—these barrel-chested bronze men in short skirts, erect and proud of visage, their upper bodies daubed with red paint and decorated with beetle wings and toucan feathers. Jeannie laughed merrily. "They looked so to me, at first. Now they're the most beautiful people on earth!"

Every day some 30 Indians come to her hut for first aid or medical treatment. To reach other patients she must tramp through the dripping forests, a banana leaf over her head for an umbrella, her medical kit in hand, or travel by dugout canoe up the turbulent river.

Does she feel no fear? "Only one—that some day, when we need it most, we'll run out of medicine!"

That fear was justified when, not long ago, Jeannie's Aguarunas came down with 200 cases of whooping cough, exhausting her stock of remedies. But a radio message to Yarinacocha brought swift answer. The doctor there loaded a plane with medicines, flew to Jeannie's aid and, after 10 days of furious labors up and down the Marañon, had the epidemic stopped in its tracks.

"Before Millie and I came," Jeannie told me, "the witch doctor was in sole charge of the Aguarunas' health. When confronting a patient, he first fortifies himself with a long drink of potent ayahuasca. Then, alternating drinks with puffs on his pipe, he sucks on the surface of the sick area—often until the blood comes—and spits on the ground. Next he does a wild dance around the victim, cursing at the spot where he spat. When the ayahuasca takes hold, he falls to the ground. Anyone whose face shows up in his drunken dream is declared to be the black-magic worker who caused the sickness, and the alleged culprit is promptly banished, or killed if the patient dies."

"Nowadays," says Jeannie, "I'm afraid we are doing him out of a job." The witch doctor still goes through his shenanigans, but with less authority and fewer patients. In fact, not long ago when his own daughter fell ill, he brought her in his arms to beg for a hypo injection and sulfa salve for the sores covering the little body. "White man's sickness," he grunted—and turned his daughter over to Jeannie.

The base clinic at Yarinacocha, started in 1949 by Dr. Kenneth Altig with a secondhand doctor's kit and a batch of donated medicines, now boasts a 12-room building, up to date laboratory equipment including X-ray, and serves 10,000 patients annually. Its medical stores are supplied partly by the Peruvian public health service, partly by friendly pharmaceutical houses in the States.

In charge of the always-crowded clinic is Dr. Ralph Eichenberger, the busiest and most resourceful medical director I have ever met. With only a skeleton nursing staff ("I have trouble keeping nurses—they all want to go out into the tribes") he manages a round-the-clock program of healing that must surely be unique. Besides doctoring patients flown in from the jungles, he keeps in touch with the linguist-nurses by radio, and stands ready at a moment's notice to take off into the wilderness to meet emergencies.

Dr. Eichenberger likens his work to that of a city public health service. "The only difference," he says, "is that our 'city' covers a quarter-million square miles, our 'visiting nurses' are hundreds of jungle miles apart, our 'consultation' is by radio, our 'ambulances' are balsa rafts and jungle-hopping planes." Covering this circuit, containing 130,000 disease-prone tribes people, takes some doing.

Since 1954, when many lepers were found living along the Ucayali River, Drs. Eichenberger and Altig have conducted monthly "leper flights." On these rounds they stop at dozens of little villages, or meet in prearranged spots along the river those who have been banished from their tribes. The sufferers paddle out to the pontooned plane in canoes from their jungle hideouts, lift their disfigured faces and hands in mute appeal. During the last 4 years hundreds of Indians, their leprosy arrested, have been returned to their tribes.

SIL's linguist-nurses must necessarily perform medical services far beyond the portfolio of the average graduate nurse. But when they have a complicated case, they call Dr. Eichenberger. This tireless, devoted man at his radio, his calm voice reaching out across huge distances to prescribe treatment, provides a picture whose drama is lost only on himself.

For example, when his radio crackled out the news that a young Piro Indian girl had suffered a compound fracture of her elbow that resisted the usual setting, he called for an exact description of the break, told the nurse how to rig up rocks for weights to pull the shattered bones back into place and how to apply tree branches for splints. Ten days later, visiting the tribe on his regular rounds, he found that the break was healing perfectly.

When a worker with the Huambisa tribe frantically called in to report a mother dying in complicated childbirth, Eichenberger crisply ordered: "Take your radio into the woman's hut. Leave your receiver turned on. Do exactly what I tell you." With his instructions, the birth was successfully accom-

plished. Both mother and baby lived. Hours later, the worker called back: "Hear that racket, Doc? The whole tribe's celebrating. They say you're the greatest witch doctor that ever lived."

How do the SIL workers make these Amazonian Indians want to learn? Says Townsend, "We trade upon three facets in their mentality that are common to almost all primitives: their pride in their own language, their eagerness to better themselves economically, their insatiable curiosity."

It is Townsend's theory that "jungle Indians are the most curious people alive. Only the fear of other tribes, plus generations of mistreatment by the only outsiders they've met—rubber workers, gold seekers, adventurers—has prevented them from learning about ideas, people, happenings in the mysterious world beyond their green-walled prison."

Out in the jungle I saw his theory validated again and again. In one tribe I watched a linguist with a young beginner. She pointed to a symbol she had created for the word "tree," let the youngster observe it for several minutes. Then she flipped to a page with this symbol among dozens of others. "Now find the tree," she said. The boy's eager eyes searched the page. Then, suddenly, his brown finger stabbed at one symbol and his face lighted up as he said, "Teacher, I'm reading."

"Once they discover reading is possible," she told me, "there's no stopping them."

The advantage of learning a second language—Spanish, in the case of Peru—also quickly becomes apparent to jungle Indians. Especially to those who have dealings with itinerant traders and patronos who settle near their borders, establish trading posts, supply them with trinkets in exchange for Indian goods—and often exploit their ignorance by bilking them. It was this kind of situation, Townsend told me, that impelled Chief Shironkama of the Machiguengas to seek education for his people. Throughout Peru's Amazonia, Shironkama is acknowledged as one of the most powerful and, until recently, one of the most feared of tribal headmen. Today he and many of his formerly savage warriors are striking examples of the changes that SIL workers can bring about in a few years of concentrated effort.

To get Shironkama's story firsthand, I took off one day from Yarinacocha for the Urubamba River. Our pontoon-equipped Cessna, flown by JAARS pilot Don Weber, soared for hours over thick jungle broken only by occasional twisting rivers. Suddenly, far below, we saw one of the villages of Shironkama's domain.

Coming down low over the river, Weber muttered, "It's in flood. Look at that clutter!" I glanced down—and was all for turning back. The river was a raging torrent, filled with logs. Weber calmly moved his stick and grinned. "Ever hear of coming in on a wing and a prayer?"

Seconds later we splashed to a landing and Weber maneuvered us toward the shore, skillfully dodging the drifting debris. As the pontoons nudged the muddy bank, he leaped from the cockpit and flung a rope to some excited Indians who quickly secured the plane to a tree.

Atop the bank stood a solitary figure, clothed from neck to ankle in a hand-woven cushma, the peculiar sacklike garment of the Machiguengas. This was Chief Shironkama, former "terror of the Urubamba." He gravely greeted us, was joined almost immediately by a handsome young man in a jungle helmet—Wayne Snell, SIL linguist from Elgin, Ill. Standing together on that lonely bank, the two made a striking picture.

A gunner's mate during World War II, Wayne told me his call to missionary service had come when he met, on island after island in the South Pacific, black men who, instead of the raw savages he'd expected, "were better Christians than I was." They had been made so, he learned, by Christian missions. The war over, he took the SIL course, and volunteered for duty in Peru.

Since 1952, Wayne and his wife Betty have established a number of bilingual schools among the hitherto unreached Machiguengas; created textbooks on reading and writing, arithmetic, farming, health and hygiene; persuaded the prone-to-wander Indians to settle around the schools (initiating an agricultural program aimed at making it profitable to do so); and translated several portions of the Bible. To top it all, they have made a practicing Christian out of Shironkama.

Since his conversion 3 years ago, the chief's rigid rule for his large tribe has been: "No more killings; no more drunken feasts; no more raids on other tribes for women." Shironkama settled his own woman question by dismissing (with

pensions) his plurality of wives, asked Snell for legal marriage with the one he chose to keep.

The Snell's first contact with the chief was dramatic. They had scarcely settled in their native hut when their village, a day's canoe trip from Shironkama's, was raided. The chief, whose supply of wives was running low, staged the raid to replenish his stock. When he and his warriors surged up to the Snell's hut, Shironkama stared in disbelief at the white couple, held his warriors back while listening to their reason for being there, then abruptly turned on his heel and left, cryptically grunting, "I'll see you later."

One day shortly thereafter Shironkama reappeared, this time trailed by a group of children he had rounded up from several Machiguenga villages. To Snell he said, "You make school, yes?"

Only later did the Snells learn why Shironkama wanted education for his people. For years his Machiguengas had been victims of a white patron who cheated them blind in trades, worked them for such pittance pay as one fishhook for a whole barrel of rice, indentured them with debt. When the Machiguengas, weary of such treatment, began staying away, the patron called in Shironkama, told him he would have to force his people to work out their debts, gave the chief a gun, saying, "If they won't work, shoot them." The chief took the gun, shot two of the patron's henchmen instead. "The patron will not make you his slaves again," he told his people. "You are free."

Chief Shironkama told me, with Snell interpreting: "From such white men as the patron I learned that men who had power read books. I reasoned that, if one is to avoid being cheated or enslaved, he, too, must have the knowledge that books give. I wanted that knowledge for myself and my people."

The next morning before dawn I was bonged awake by someone beating on a hollow log. It was the bell announcing school's start an hour later. The Indians were already assembled outside the one-room schoolhouse; they'd been up, I found, since 3:30.

Chief Shironkama was herding the students, ranging from very small to near-mankind, into the building whose thatched roof was still dripping from the night's torrential rains. When they were all in, the rough benches behind rude desks filled, Shironkama himself sat on the floor, leaning against the bamboo-pole wall.

School began with a Bible reading. The lesson dealt with John the Baptist's manful defiance of Herod. As it was explained in fluent Machiguenga, I watched the chief's face. It was alight with understanding. With every point Snell made, Shironkama nodded thoughtfully, and from his throat came the murmuring assent, "Mmm-mmm-mmm."

Instruction was then taken over by a young Indian named Mario, whom the Snells had carefully developed into teacher and village Christian leader. While Mario's voice droned on, the chief's sharp eyes searched the faces of the students to see if they were listening. They were—intently.

These students, Mario told me later, wanted to have classes all day. They scorned recesses, barely taking time out to eat. At dismissal of school they gathered in small groups to compete in display of their new knowledge. I noticed one youngster about 14, saunter off to the river bank, a primer under his arm. He seated himself on a log and loudly began to read. His pose was one of elaborate indifference to the kids who came to catch the performance. But, behind the lifted book, I saw his eyes dart up from the page now and then to note his erudition's effect on his awestruck audience.

The scene was, in a way, comical; in another, strangely pathetic. I turned away, feeling not a laugh but a catch in the throat.

Of all a linguist's tasks, says Cam Townsend, Bible translation is the trickiest. It must be preceded not only by proficiency with the language, but an intimate knowledge of a tribe's customs and taboos as well. "Figures of speech that may be meaningful to one brought up in the Anglo-American tradition are often mystifying booby-traps to a primitive man's understanding."

Some Biblical similes, literally translated, can convey lethal suggestion. For example, one linguist living with tribesmen who had a penchant for burning their enemies bethought himself in time to avoid recommending that they "heap coals of fire on his head." He translated it instead, "Make him ashamed by your friendliness."

Suggestions from the Indians themselves often help to make the wording clearer than in the English Bible. When a tribe was getting nothing from Christ's warning, "If any man offend one of these my little ones * * *," the

translator took an Indian's tip and put the onus on "any man who shows one of these my little ones the wrong path." In another tribal language the same passage is rendered, "If anyone spoils the heart of one of these my little ones."

Townsend insists that the great doctrines "must be explained in living, understandable words." Abstract terms are always tough. In some tribes "God's love" is too weak; one tribe describes divine compassion thus: "God hurts in His heart for us." To the Piros such words as "faith" and "believe" are incomplete by themselves; they insist that "believing in God" must also connote action; so they make it "to obey-believe." For the Shipibos "doubt" is described as "thinking two things"; "pride" means "I outrank others." The same tribe makes a covetous persons "one who has gone crazy for things." The Piros equate "peace" with "the well-arranged soul." For another tribe the phrase, "Our hope is in God," is translated, "We hang onto God."

To Townsend such translations are "an improvement not only for jungle Indians but possibly for modern Americans as well."

After developing a passage as best he can, the linguist tries it out on his tribes, submits it to long discussion, revises it over and over again until the Indian's reaction indicates crystal-clear understanding.

"A single book of the Bible may take years to translate satisfactorily," says Townsend.

The government school for training has become one of the most important activities at Yarinacocha. It got its start some years ago when Townsend took Peruvian educators on a tour of his jungle schools that were being taught by Indians groomed for the job by the linguists. The educators were amazed. "You've laid the groundwork for a whole education program," they said.

The result: In 1953 the Ministry of Education set up its *Curso de Capacitación Pedagógica* at Yarinacocha. Since then, during the first 3 months of each year, promising tribesmen have been brought in for intensive courses in Spanish, advanced academic subjects, teaching methods. Accredited, they return to their tribes as government-paid teachers and hoist over their jungle schoolhouses the official crest of the Ministry of Education.

This year 75 teacher candidates took the course. Bringing their families with them, many traveled for days by canoe and raft to reach the base, while others came on the Institute's planes. They represented 16 different tribes—"a sort of jungle version of the United Nations," Townsend calls them. While I was at Yarinacocha, someone pointed out a chummy pair of teacher candidates comparing notes and laughing together. "They belong to tribes that have been mortal enemies for generations," said my informant. "Had they met in the jungle a few years ago, they'd have killed each other on sight."

Dr. Morote Best, a brilliant educator, said to me, "Until only a short while ago, nobody could convince me that jungle Indians could learn. Then one day I came upon a pair of these young girl linguists. I could scarcely believe my eyes when I saw their crowded little school, found boys studying books by firelight, older people struggling to learn to read and write. I said to myself, 'There is hope for our Indians.'"

Returning to Lima, he gave a glowing account of what he'd seen. "These young North Americans," he said, "are showing us how to cut through the wilderness of ignorance, helping to bring our aborigines into the life of our country. They deserve help."

In January 1957, Dr. Morote Best was appointed by the Ministry of Education as supervisor of the jungle schools, now has his own thatched house at SIL's jungle base, spends much of his time on inspection swings through the jungles. He shares Cam Townsend's conviction that "the newly educated Indian cannot subsist on his former economy of fishing and hunting. Until recently a semi-nomad, moving from place to place in search of new hunting and fishing grounds, he has been shown the advantages of settling in permanent villages, where his children can go to school and he can make a better life for himself."

To help jungle Indians realize that better life, the Peruvian Government has launched a brandnew program to teach modern agricultural methods to the tribes. On land adjoining the SIL base, 250 acres have been set aside where Indian teacher trainees can study agriculture under trained SIL agronomists. To date, 21 teachers have taken the agriculture course, now are showing their fellow tribesmen how to market their products.

Townsend's aim of "not taking the Indian out of the jungle but taking the jungle out of the Indian" sounds good—to all save those with romantic notions about primitive peoples' bliss in their native state. One day, after a large audi-

ence had been told about his work, a hearer arose to bait him with the familiar canard: "You missionaries make me sick. Why force civilization on a people so unspoiled and happy? Why not leave 'em alone?"

Townsend replied, laughing, "I think, my friend, you've been no closer to jungle Indians than the movies. If you could sit down with them, as I have, and hear them tell in their own tongues the woes that haunt them through witchcraft, superstition, fear and strife; listen to mothers tell of being forced to strangle their newborn babies because of some evil omen; see old folks being abandoned to die because they had become a burden; or sense the hatreds bred in them by generations of white men who took advantage of their ignorance to exploit them, steal their lands, ravage their women and ruthlessly shoot them down—well, then, my friend, you just might change your mind about Indians as a quaint people living lives of idyllic happiness."

Townsend is equally adept in parrying thrusts from another quarter—the religious. Such attacks are rare, since SIL's members represent no religious body, cooperate with all. There was, however, the time in 1953 when a Lima newspaper carried a series of articles by a prominent Roman Catholic blasting SIL workers as "Protestant wolves," their work "sectarian and proselytizing in nature," and demanding their expulsion. Townsend ignored the first blast. When others followed, he composed a letter to the editor which one Catholic authority applauded as "a masterpiece of Christian love and reconciliation."

Townsend wrote in part: "It is not a question of 'wolves.' Every SIL member must promise that his service will be given in a spirit of love and brotherhood, without distinction as to race or creed. We do not call ourselves Protestants but simply believers in Christ, and because of our nonsectarian nature we do not teach rituals and ecclesiastical systems.

"While we are motivated by the desire to serve God and humanity, we are at the same time scientists dedicated to the study of languages. And when we complete our linguistic investigations we shall go, leaving behind our base at Yarinacocha, with all its buildings, for a center of Indian education."

The letter was prominently displayed in the newspaper. The attacks ceased, and Townsend and his workers went on with their comradely friendship with Roman Catholic missionaries stationed in the jungles: gladly transporting them back and forth to their posts, repairing their radios, sharing medical supplies, bringing them to Yarinacocha for outings. The priests and nuns have responded in kind, performing innumerable acts of neighborly helpfulness to SIL workers. Both groups agree that "the jungle," in Townsend's words, "is too big and too needy for anybody there to quarrel with anybody else."

This year the Papal Nuncio in Lima, cordially receiving Townsend, asked God's blessing upon his work "after listening most graciously to how we hope to attain our goal of putting Holy Writ into 2,000 more languages in this generation."

I asked Townsend his chances of attaining that goal. Since SIL is thus far at work among only 175 of 2,000 language groups, would he have to revise his estimate of the time it will take? Townsend's reply is the measure of his spirit.

"Not a bit," he said. "Consider the tempo of our advance. In 1942 we were at work in only one country; today we're in 12. Since 1942 our increase of workers has been 1,600 percent. At that rate our membership will number more than 12,000 in 15 years. That should do it."

I began to understand why the late Josephus Daniels, then U.S. Ambassador to Mexico, had called Townsend "a man with the most audacious faith I ever knew."

Surely no project is built more completely on faith. From the time that he and Leonard Legters, SIL's cofounder, decided to emulate Abram in trusting God even to "going out, not knowing whither," Townsend's guiding principle has been, "Go nowhere God doesn't lead; go anywhere He does." The method for finding out what is God's leading? "We simply take our inner urges to God in prayer, saying 'If this is Thy will, not ours alone, open the way.' Then if support comes, we know that the door has not been jimmued by our will but has been opened by God's hand."

Neither does Townsend campaign for funds in the usual ways, even with an annual budget which exceeds a million dollars. He says, "I have never asked a man directly for a dollar, and I never shall." To him, the wheedling of gifts from reluctant givers is not only a denial of trust in God; it's an offense to the dignity of God's work, and does little for the giver. "We like our givers to be God-inspired partners, not badgered Lady Bountifuls."

His practice of waiting for God's go-ahead, with funds providentially provided, permeates the whole SIL organization. No member is salaried. There is no guaranteed allowance. Each is expected to "look to the Lord" to stir the hearts of interested people to support his work—without the worker himself lifting a syllable in direct request. "Give full information without solicitation," Townsend tells SIL members.

Getting enthusiastic cooperation for his SIL program is another mark of the Townsend genius. "We do not go into any country nowadays," he says, "without being invited." True; but he shows a remarkable talent for getting invited. He spends much time frequenting conferences where educators and officials discuss their indigenes and what to do about them. Mingling with the experts, he quietly tells what SIL has accomplished elsewhere. As in Mexico, Peru, and Ecuador, he has not had to wangle permission to enter; they invite him in—fast, with full government cooperation.

In tribute to his work with their people, Latin American nations have showered Townsend with kudos. Colleges and universities seek him as lecturer, have tried to load him with honorary degrees—most of which he has respectfully declined. The President of Peru has decorated him with the Order of Merit for distinguished service, rarely accorded to non-Peruvians. The Government of Ecuador has conferred upon him the Decoration of Merit, acclaiming him "spiritual conqueror of the jungle."

But the tribute that has moved him most came from an Indian chief in the Amazonian jungle, whose tribe he and his SIL had transformed with hope. Said the chief, "Before you came, there was only darkness. Now there is only light."

Senator ALLOTT. It seems to me the least we can do to encourage these contacts between our institutions of higher learning and foreign governments on the "people-to-people" plane, is to permit these institutions to use abroad the surplus equipment that Congress has already authorized them to have as these young Americans labor for human progress in the steaming jungles of Amazonia, the Philippines, New Guinea and elsewhere. Certainly this will make their efforts more productive and will cost us nothing. When we help others in such matters, we help ourselves.

The House Special Donable Property Subcommittee is today reporting to the Government Operations Committee, H.R. 8398, introduced by Mr. Monagan, which would authorize Federal agencies overseas to dispose of property to health and education organizations. His bill would provide State Department administration for this program. It is my understanding that presently the surplus property overseas is disposed of individually by the several agencies and must be sold if the property has any commercial value. Without having had the opportunity to give this bill a very thorough study, I can say that the objectives seem to me entirely legitimate and might well be combined with S. 2198 to assist these deserving groups more completely.

Now, I just have one sentence, sir, and then I will conclude my statement and that is this: The object of this bill, again, I reiterate, is not to broaden the donees or the beneficiaries under the surplus property disposal program, but the provision of the law does not permit educational institutions who receive surplus property to take this property outside of the continental limits of the United States. This problem arose particularly with the Summer Institute of Linguistics of the University of Oklahoma, who wanted to take some surplus property to South America to help that program there, and they could not do it.

It seems to me, I think, like a wholly reasonable program. And this whole area of foreign language is, of course, as the chairman knows one in which I have been extremely interested.

I would be happy to answer any questions.

Senator GRUENING. Thank you, Senator Allott, for your statement. What is the nature of this property that is considered for export? What does it consist of?

Senator ALLOTT. My recollection of this—let me check here just a minute.

I read an article on this, and talked with this man. This particular one was some—it was a still, for the distillation of water.

Senator GRUENING. A still?

Senator ALLOTT. Not the kind you are thinking of.

Senator GRUENING. How does that tie in with education work? I had an idea you had reference to books.

Senator ALLOTT. Well, perhaps I should expand this. The article which I have asked to be placed in the record, "Two Thousand Tongues To Go," is a very excellent treatise of the expansion of languages. There are some 2,000 languages in South America alone which have not been expanded, many of which are not committed to paper or to alphabet, and this Summer Institute of Linguistics is one of the educational institutes in South America, trying to develop these languages, trying to develop a knowledge of them, commit them to paper, so that they can become the knowledge of the whole world, and particularly so that they can become our knowledge, and so that they can have written languages, and, of course, a literature.

Now, our university people are doing this work, many of them, in South America, and I do commend very seriously to the Senator's reading if this particular article has escaped you—

Senator GRUENING. Does this article make clear the type of surplus?

Senator ALLOTT. It does not make clear the type of surplus. It makes clear the type of work they are doing.

Now, this would only permit them to use such surplus as the University of Oklahoma itself, for example, could get. It would only permit them to take it outside for the use of their own work in a foreign country.

Senator GRUENING. Well, don't you think, Senator Allott, for the record, we should have some statement as to the type of surplus sought? I mean our surplus consists of almost everything under the sun.

Senator ALLOTT. We can ask the university for a list, and I will be happy to supply that for the record, of all types that they might possibly use. But one instance that I do recall in the use of this was an old surplus—not with the University of Oklahoma, but I read about in another place—was the use of an old surplus aircraft, obsolete aircraft, an amphibian, if I recall correctly, which some people wanted to use in South America. This property, of course, is not declared surplus until the Government can no longer use it. Then it goes—when it is obsolete, the Government has no further use for it, then educational institutions and other governmental agencies get the first call on it.

Senator GRUENING. Well, who would pay for the cost of transporting this airplane?

Senator ALLOTT. They would pay for it entirely.

Senator GRUENING. There would be no additional expense entailed upon the Government, would there, in this transportation?

Senator ALLOTT. None whatever—because the title to the property and the delivery of the property would have occurred to the educational institution before they ever got it.

I have looked through this very carefully, Mr. Chairman, and when I talked with Dr. Townsend about this I must confess that I approached it with a rather wary eye, but after discussing it thoroughly, I could detect nothing which gave the possibility of any abuse.

Senator GRUENING. I think it would be desirable, in fact essential, that we have some list presented by those who are familiar with the work, so it is clear what is to be shipped overseas. I mean as this represents a departure, it need not include necessarily everything, but I think we would have some statement as to the type of property.

Senator ALLOTT. Well, I think that is all right. Of course, the general types of equipment that educational institutions can get under the Surplus Property Disposal Act run the whole gamut of everything the Government might declare surplus. There are comparatively few institutions of learning that are carrying on foreign programs. For example, I know my own university carries on no foreign program, and I don't know of a foreign program being carried on by my State. There are a few universities like Syracuse, and American, that have carried on extensive foreign programs, but the total bulk, the total number of schools and colleges carrying on foreign programs would be a very, very small part of the total number of schools and colleges. All this would permit them to do is utilize the same surplus property overseas, to which they are now entitled.

Senator GRUENING. We have Dr. Townsend here. Possibly he would be able to shed some light on this. He is supposed to be one of the witnesses. We will hear him later.

Senator ALLOTT. All right. I am sure he can throw some light on this. I will check, and if he does not give as large a list as this committee desires, I will be glad to try to expand it.

Thank you very much, sir.

Senator GRUENING. Thank you, sir.

Our next witness will be Senator Keating.

STATEMENT OF HON. KENNETH B. KEATING, U.S. SENATOR FROM THE STATE OF NEW YORK

Senator KEATING. Thank you, Mr. Chairman.

I am happy to have this opportunity to be heard by your committee with regard particularly to S. 1365, introduced by myself for a considerable number of other Members of the Senate, which would authorize the disposal of surplus property to certain welfare or recreation agencies, and S. 2244, introduced by Senator Goldwater for himself and a number of Senators, seeking to promote the welfare of the Indian tribes, by making available to them surplus personal property.

These are important measures which will provide substantial help for worthy groups in great need for such material.

I commend the chairman for scheduling these hearings on these measures. It has long been my contention that action in this field is

overdue. I would like to discuss each of these bills separately, primarily S. 1365, although both seek similar objectives.

S. 1365 is identical to a measure which I sponsored as a Member of the House of Representatives, and which gained widespread and vigorous support from a wide range of groups, including endorsing letters from almost every State in the Union. Without exception, organizations working in the welfare and recreation fields have backed strongly the principle embodied in S. 1365.

Simply stated, this proposal would broaden the eligibility for Federal surplus property to include a limited number of welfare and recreation agencies. These groups would be in addition to the medical institutions, health centers, schools, colleges, civil defense and certain other organizations which may now receive such goods.

The bill contains carefully drafted language to insure that only tax-supported or tax-exempt welfare or recreation agencies would be eligible for this property. In addition, a tax-exempt voluntary agency would have to hold a license from a State standard-setting agency, or receive funds through a State or local community fund, or be affiliated with or part of a national standard-setting organization.

Although I am not wedded to the specific language contained in S. 1365, I do feel it provides a substantial base for legislation in this field. It was evolved after careful study with highly reputable groups, including the National Federation of Settlements and Neighborhood Centers. The language is designed to prevent, as much as possible, any abuse of the privileges to be granted by the legislation.

It provides adequate safeguards against fly-by-night organizations which might not properly utilize surplus goods. If the committee should choose to frame somewhat different standards, perhaps in consultation with officials of the Department of Health, Education, and Welfare and leaders in the field, I am sure such a revision would be satisfactory. In any case, most serious consideration must be given to insuring that none of these goods goes to waste or is given to anything less than fully deserving and reputable organizations.

S. 1365 grew out of recommendations several years ago of the National Welfare Assembly Committee, which included members drawn from American Foundation for the Blind, Child Welfare League of America, Council of Jewish Federations and Welfare Funds, Council on Social Work Education, Girl Scouts, National Council of Churches of Christ in America, National Federation of Settlements and Neighborhood Centers, National Jewish Welfare Board, National Recreation Association, Salvation Army, United Community Funds and Councils, Young Men's Christian Association, and Young Women's Christian Association. The following organizations also expressed their interest in this subject in connection with that committee's work; American Hearing Society, Board of Hospitals and Homes of the Methodist Church, National Catholic Community Service, and United HIAS Service. In addition, numerous fine organizations in related fields have since come forward in support of the bill.

Mr. Chairman, literally hundreds of these worthy groups from all over the country have indicated to me their desperate need of low-cost, usable Government material. For example, officials of the YMCA in Rochester, N.Y., have reeled off nearly two score types of equipment and supplies which are needed for the operation of their

program and camp and which might be available under terms of this measure.

I could cite such examples of proven need among worthy groups endlessly. The point is, of course, that if these fine organizations received less costly goods for their work, they would have more money left over with which to pursue their good deeds even more widely and in better fashion. This measure could thus serve as an effective budget stretcher.

Mr. Chairman, these agencies are doing a magnificent job of character building among our young people, of easing the lives of our aged, and providing sustenance and security for our needy citizens. Any reasonable way in which we can help these groups in their noble work should be pursued vigorously.

It is true, of course, that some of the organizations which have expressed an interest in this legislation have been declared eligible by administrative ruling. It is possible that other organizations could be given access to such goods by that method. However, it would appear that the fairer and sounder means of resolving this issue is by legislation. This could, once and for all, end the present confusion and consternation, would insure that all deserving welfare and recreation groups received equal treatment, and that the expression of policy would be one determined by the peoples' representatives.

I realize certain objections have been raised by various executive agencies to bills in this field. While I am somewhat sympathetic to the reasoning behind these objections, I do not find them of sufficient validity to deter pressing forward for legislative action. Frankly, it strikes me that in many respects they indicate a timidity and a defeatist attitude on the part of the executive branch of the Government.

In my view, there are no groups more worthy of benefit than our welfare and recreation agencies. They deserve special priorities under surplus disposal laws. Certainly sound administrative procedures can be evolved which would not be unduly costly and yet which would insure fair treatment of all eligible groups.

In sum, Mr. Chairman, I feel we should leave no stone unturned in our efforts to help these fine organizations achieve their objectives. If, by proper legislation, we can ease the strain on their limited budgets and enable them to better carry out their work, we should do so without further delay. S. 1365 represents a sound and progressive means for helping our welfare and recreation agencies help themselves. And in the long run, of course, all America will be a better place as a result, because the success of the organizations interested in this work means a safer, healthier, happier and more secure Nation.

Mr. Chairman, a large number of organizations have evidenced to me their interests in S. 1365. I would like to make inquiry, if I might. I assume the record will be left open for a few days, and I would like to have the privilege of notifying these organizations, in order to give them an opportunity to file a statement, if they care to do so.

Senator GRUENING. The record will be kept open, and we will be very glad to receive any statement from these organizations.¹⁶

Senator KEATING. Thank you very much. What kind of a deadline should I give them, Mr. Chairman?

¹⁶ The letters referred to are set forth on pp. 135-142.

Senator GRUENING. I think we should say within a week.

Senator KEATING. Very well. I shall be very happy to so notify them.

Senator GRUENING. I have just one question. I think you made clear in your statement that you were aware of the opposition to these two bills by the two executive agencies that are concerned, the General Services Administration, and the Department of Health, Education, and Welfare. Their view was expressed by their officials here at the hearing yesterday, to the effect that there won't be enough to go around, and that if you attempt to add other agencies, you would have either to establish a system of priorities, which would be very complex, or perhaps a first-come first-served basis, which might confront other obstacles.

I just thought for the purpose of the record I should make that statement to you. I don't know that this opposition of the agencies will affect the attitude or action of the committee. I can't speak for the committee. But I think that should be part of the record.

Senator KEATING. I am very glad to comment on this matter, Mr. Chairman.

If the Government agencies concerned say that there is not enough to go around, according to the presently eligible groups, we must accept that statement. It can certainly be argued that the Nation owes a greater responsibility to the needy and the underprivileged who would benefit directly under S. 1365, than it does to some of the groups that are now eligible, or at least we owe them an equal opportunity. It is difficult to see how health, education, and civil defense can be clearly worthy of any higher priority than welfare and recreation organizations. In any case, these are goods bought with the taxpayers' money, and it strikes me that their disposal is a decision which should be made by the people's representatives, not by the executive branch of the Government. We ought not to be deterred by their reluctance, in a field in which their only legitimate function is to administer and carry out the law as enacted by Congress.

So far as priorities are concerned, it strikes me that it is not any great problem to set up a priorities system, either by legislation or by administrative action. It is in that respect that I refer to the defeatist attitude of the agencies that have filed these reports. That attitude ought not to deter Congress from making policy decisions within its proper sphere of jurisdiction.

Congress, perhaps, should spell out the priorities in the legislation, rather than leaving it to the administrative agency. We can do it, if that is desirable, and I believe that that is not any insurmountable basis of opposition to this legislation.

As I understand it, they oppose all of these bills. They just want to leave things as they are, without any change whatever.

I am in complete disagreement with that attitude and general approach to problems of great national interest.

Senator GRUENING. Well, I think that your statement that it is up to the Congress to make the decision is certainly a highly correct one, one with which I am in complete sympathy. But I think you also realize that very frequently these executive agencies have the power to stimulate and recommend a veto. And that is a situa-

tion with which we have dealt in this Congress. And so I think it is important that we all be apprised that executive-administrative opposition does exist.

Senator KEATING. I do appreciate that. But I can assure you, Mr. Chairman, that I would have no problem in deciding to override a veto on this legislation, and I doubt, seriously, that we would encounter a veto if it were enacted.

Senator GRUENING. Well, thank you very much, Senator.

Senator KEATING. Thank you, Mr. Chairman.

Senator GRUENING. At this point in the record, we will introduce a statement by Senator Clinton P. Anderson on S. 2244, one of the two bills in behalf of which Senator Keating has testified.

(The statement referred to follows:)

STATEMENT OF HON. CLINTON P. ANDERSON, U.S. SENATOR FROM THE STATE OF NEW MEXICO

Mr. Chairman and members of the committee, I appreciate the opportunity of appearing before you as a witness in support of S. 2244 to amend the Federal Property and Administrative Services Act of 1949 so as to promote the welfare of the Indian tribes by making available to them surplus personal property. You are all aware of the fact that for the most part the Indians are wards of the Government. I know that, comparatively speaking, they represent a very small portion of the total population. Nevertheless, we have an obligation to give the Indians all of the assistance we can to improve their standard of living. Millions of dollars are voted each year to assist the various tribes and bands of Indians throughout the United States with various programs on the reservations. Some of this money goes for the purchase of equipment or facilities that could be furnished from Government surplus at a saving to the taxpayer. Many groups no more deserving than the Indians are receiving surplus property under present law and regulations. We cannot be completely fair if we withhold certain surplus items from the Indian tribes and favor other groups who are more able to supply their own needs, especially when tribal funds are not available for purchase of needed items.

Rather than elaborate further on the needs of the Indian, I believe I can best support S. 2244 by attempting to answer some of the objections that have been raised.

One such objection is that the inclusion of Indians as donees would pose complex problems of determining priorities. I am unconvinced. The problem of certifying the 200-odd recognizable groups of Indians could not be more difficult than certifying the vast number of institutions and organizations now receiving aid. A simple system, based upon a determination of need by the Secretary of the Interior, could solve this problem easily. Such a method is provided for in the bill. The bill would make surplus property available only to tribes unable to pay. Neither can I—to respond to another allegation—see how this bill would greatly increase the cost of or cause delays in the system of administration and disposition already in use. I question any claim that additional personnel would be needed. It is entirely possible that, instead of delaying disposal of surplus, the Indians could provide a ready outlet for certain items of surplus property which might otherwise remain in storage indefinitely.

Another objection is that the inclusion of additional donees would be an open invitation for literally hundreds of other worthwhile organizations to seek recognition, and thereby defeat the orderly disposition of surplus for educational, health, and civil defense purposes. I cannot take this objection too seriously, since the Congress has allowed the Boy Scouts and Girl Scouts and similar groups to receive surplus property in increasing amounts through the Defense Department. Furthermore, such an abuse could not arise if donees were selected on the basis of need.

There is a further objection. That is: If the Indians come into the program, their participation will adversely affect existing health, education, and civil defense programs which depend upon the use of surplus property. In my opinion, the needs of the Indians can be met without jeopardizing seriously any other program. There just isn't that much demand from Indians, nor any present evidence that their needs will grow to that extent.

I am convinced that Indians can and must be made eligible to participate in this program.

Thank you, Mr. Chairman, for permitting me to make this statement. I hope the committee, after careful consideration, will report favorably on S. 2244.

Senator GRUENING. Miss Germaine Krettek, American Library Association.

We are very happy to have you here. We consider libraries very important in the life of a nation, a civilized nation. We would be happy to hear your testimony.

STATEMENT OF MISS GERMAINE KRETTEK, DIRECTOR, WASHINGTON OFFICE, AMERICAN LIBRARY ASSOCIATION

Miss KRETTEK. Thank you, Mr. Chairman.

Mr. Chairman, my name is Germaine Krettek. I am director of the Washington office of the American Library Association, a non-profit, professional association of more than 23,000 members, consisting of librarians, trustees, and friends of libraries interested in the development, extension, and improvement of libraries as essential factors in the educational program of the Nation. Librarians of schools and institutions of higher education form a large proportion of the association's membership.

The American Library Association urges your favorable consideration of S. 155, a bill to amend the Federal Property and Administrative Services Act of 1949 so as to permit the donation of surplus property to tax-supported libraries.

Under the present Surplus Property Act, school, college, and university libraries can benefit from surplus property, both real and personal, but public libraries can receive only real property since they are not specifically named for personal. This is an inconsistency because public libraries are basically educational in character.

Public libraries have been designated as educational institutions by State laws, congressional action, Federal regulations, and numerous official reports. These documents have consistently placed public libraries in the category of educational institutions, even though they do not conform to the restricted concept of education as schools with formalized teaching and a fixed curriculum.

These substantiations are submitted in support of the position that public libraries should be eligible to receive surplus personal property along with schools, colleges, and universities, and many more could be entered:

1. Many States, recognizing their educational significance, have placed the development of public libraries under the State Department of Education, as in the cases of New York, Pennsylvania, Georgia, Maryland, Tennessee, Massachusetts, Minnesota, Colorado, and others.

2. States uniformly have passed legislation which has enabled public libraries to organize as governmental units and to receive tax money for maintenance and operation. The phrase "public schools, public libraries, and other educational institutions" frequently appears in State laws.

3. The report of the President's Advisory Committee on Education, Staff Study No. 11, stated in 1938:

In the United States today, it is accepted as axiomatic that the (public) library is an essential and integral part of the educational system of the Nation.

4. During the Korean crisis in 1951, the controlled materials administration considered that public libraries were educational institutions and placed them, along with schools, colleges, and universities, under the jurisdiction of the U.S. Office of Education to receive allotments of building and equipment materials in short supply. Such allocations came from the supply reserved for educational institutions.

5. The Congress, in passing the Library Service Act of 1956, specifically recognized the educational character of public libraries. The congressional reports on this legislation, which authorized a total grant of \$37,500,000 to the States for a period of 5 years, \$7,500,000 annually, frequently stated:

There can be no question that the free, tax-supported library, where it has been adequately supported, is an integral part of public education in the many communities where it exists (H. Rept. 1587, 84th Cong., 1st sess.).

And—

The library with its various services is basic to the processes of education, recreation, and the dissemination of information (S. Rept. 775, 82d Cong., 1st sess.).

6. During the hearings on this act, educators stressed the role of public libraries as educational agencies. For instance, U.S. Commissioner of Education Studebaker in the 1947 House hearings before the Subcommittee of the Education and Labor Committee declared:

Public libraries are an essential instrumentality of education in a democracy * * *. Our youth, our adults, our teachers, our community leaders require facilities for continuing education, not only for the tasks of their vocations but also for the duties of citizenship. The public library can supply these facilities.

And in the 1952 hearing, U.S. Commissioner of Education McGrath stated:

The (public) library is one of our great educational institutions in the United States. Our statesmen, beginning with George Washington and coming down through the years, have said that the well-being of a democracy depends upon the dissemination of knowledge among the people, and certainly the (public) libraries of this country play an important part in keeping our people informed about public issues and also they render very valuable service to individuals in their private lives.

7. The public library is an outstanding free agency for the self-education of adults and young people. It gives universal service and makes library materials and service easily accessible to all members of the community. The founders of the first public libraries thought of them as essential continuations of the public school system. In 1852, the first board of trustees of the Boston Public Library said:

We consider that a public library is of the utmost importance as a means of completing our system of public education.

We maintain that public libraries are educational institutions, just as schools, colleges, and universities are, and that as tax-supported agencies they should be entitled by law and regulation to receive such donable materials as:

1. Tables, chairs, desks, shelving, filing cabinets, book carts, fans, and typewriters and other equipment suitable for library purposes.

2. Vehicles, particularly trucks, which could be converted into bookmobiles and in some cases bookmobiles themselves, motor vehicles which could be used for transporting books between the units of a public library system.

3. Books of a general nature, fiction and nonfiction, which are declared surplus to the armed services, and in some instances where a military installation has closed it could be an entire library. Although these books are presently available to school, college, and university libraries, they are not suitable for these institutions. Installation libraries serve the man in the Armed Forces with informational, recreational, and reference materials purchased for the adult reader. It is generally the recreational material which is made available as surplus. These books could be used by public libraries to increase their collections for the general public.

We maintain further that the inclusion of public libraries does not mean that the benefits of the surplus property are being opened up to another category of agency, but, rather, an agency is being included which rightfully belongs with educational institutions. Public libraries are educational agencies.

I appreciate very much the opportunity which you have given me to present the views of the American Library Association.

SENATOR GRUENING. Thank you very much, Miss Krettek. You made a very fine statement. We are happy to have it.

MR. GRAY, would you come forward—I would like to question you on the subject of this statement, please.

I take it the Department is opposed to this legislation.

MR. GRAY. The Department did make an adverse report on the parallel bill which was introduced in the House. I would say to you at this time that since that report was made the Secretary has expressed some concern about the inconsistency in the real property provisions and the personal property provisions of the law, and has directed that a further study and review be made of that situation for his consideration.

SENATOR GRUENING. You mean the department might modify its stand on some of these bills?

MR. GRAY. Well, that is a possibility. Obviously, I cannot predict what his final judgment might be. He has simply said he wants this explored further in relation to the differing provisions on real and personal property, as it relates to libraries.

Senator GRUENING. How do you justify making a distinction between university libraries and public libraries?

Mr. GRAY. Well, of course, the distinction has been made in terms of the law as it is written on the personal property side. The section 203(j) of the law specifically limits eligibility to school systems, schools, colleges, and universities. So you are left no choice under the present law.

Senator GRUENING. I know that. But all this bill does is to seek to amend the law, so as to extend the surplus property and make it available to other types of libraries, as well as those that are now eligible. And I wonder how the Department of Health, Education, and Welfare can justify its stand in opposing this, as merely an extension of education, isn't it—libraries are certainly a form of educational institution.

Mr. GRAY. Well, our position was basically the same on this as it was on other bills, that is, it is a question of if you favor extension, where do you draw the line? There are welfare activities, for example, that are very important to our department—that is in our field. And our position has simply been based on the difficulty of drawing a line and saying, "Well, yes, we can admit libraries, but this is all we can admit."

Senator GRUENING. Well, don't you feel that there is a distinction between extending the benefits of this act to new and additional agencies, and merely extending it to a part of the same type of agency which is now receiving the benefits? In other words, some libraries are getting surplus property. And all this bill asks is that other libraries, public libraries, get it. Don't you think there is a distinction between extending it to other libraries and extending it to Indians and a lot of other agencies not now receiving it?

Mr. GRAY. Well, I think you might make a distinction there; yes. This is closely related to your other educational programs.

Senator GRUENING. Well, certainly this would simply be a wider and perhaps more justified interpretation of the present act which permits extension of the donation of surplus property for purposes of education. I don't think anybody would challenge the statement that a library is essentially an educational institution—also partly recreational, but I think its larger purpose would be considered education.

I would suggest that the Department review its position on this bill, whatever it may do on other bills.

Mr. GRAY. Yes. As I have stated to you, the Secretary has indicated that he does want to again review it. I, of course, am in no position to predict what his ultimate decision might be.

Senator GRUENING. We would appreciate getting a report on the status of a proposed revision, whether it takes place or not, within about a week, when the record will be closed. We will keep the record open for a week or so, and we would appreciate if you could get us a statement, either restating the present opposition, or apprising us of any change.

Mr. GRAY. I will so advise the Secretary.

Senator GRUENING. Thank you very much.

(The information requested is as follows:)

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, August 10, 1959.

Hon. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, your Special Subcommittee on Donable Property has been holding hearings on a series of bills proposing the extension of the surplus property donation program, and in certain cases also the surplus real property disposal program, to certain types of organizations and activities (secs. 203(j) and 203(k) of the Federal Property and Administrative Services Act).

We have, so far, reported only on four of the bills involved, i.e., S. 1018, S. 1210, S. 1265, and S. 1766. These were the only bills on which we had received requests for reports, and, for the reasons stated in our report of July 17, we were unable to recommend their enactment.

We had not, however, been requested to report on S. 155, a bill which would amend section 203(j) of the act "so as to permit donations of surplus property to libraries which are tax supported or publicly owned and operated." At the hearing held on July 30, while Mr. J. Wendell Gray, Chief of our Surplus Property Utilization Division, was testifying on behalf of the Department, the chairman of the subcommittee, Senator Gruening, requested that the Department submit, for inclusion in the record, a statement of its position on the proposal to extend the program to libraries.

Our adverse report on S. 1018 and other bills, while recognizing the worthiness of the organizations and activities involved, set forth at length the considerations underlying our opposition to these proposals, especially the difficulty of drawing a defensible line against further extensions if the law were opened up at all. We have, however, for some time, been increasingly troubled by the anomaly of the fact that, under section 203(j)(3) of the present law, schools, colleges, and universities are eligible to receive property donated for purposes of education, while libraries not operated by these institutions but open to the public are not eligible. This anomaly is made more obvious by the fact that libraries are recognized as eligible "educational institutions" under the surplus real property disposal program (sec. 203(k)(1)). As you know, public and other nonprofit libraries, while incidentally serving recreational purposes, are in a very real sense an adjunct to and resource for the schools whose students they serve as well as highly useful instrumentalities for adult education generally.

We would, therefore, be agreeable to an amendment which would do away with the present anomaly, with respect to both public and other nonprofit libraries. While not objection to a properly drafted amendment which would bring libraries as such into the personal property donation program, we would consider it more appropriate to extend clauses (A) and (B) of section 203(j)(3) of the act to "other educational institutions," a phrase intended to have the same meaning as the term "educational institutions" has in section 203(k)(1) of the act, and, moreover, not to be confused with the special meaning accorded to the term "educational activities" in section 203(j)(2) of the act by the Department of Defense. (Specifically, this would be accomplished by inserting the phrase "and "other educational institutions," a phrase intended to have the same meaning "universities" in clause (B), of sec. 203(j)(3) of the act.)

S. 155, in its present form, would be objectionable because limited to libraries "which are tax supported or publicly owned or operated," and because it would insert "public information" in section 203(j)(1) as in itself a permissible purpose for which surplus personal property could be donated, in addition to education, public health, and civil defense. If, however, S. 155 were amended in accordance with the above suggestions, we would recommend its enactment.

The Bureau of the Budget advises that while there is no objection to the submission of this report the Bureau is opposed to amendment of the law along the lines above suggested at this time.

Sincerely yours,

ARTHUR S. FLEMMING, Secretary.

Senator GRUENING. Our next witness will be Mr. Lloyd K. Barry, president of the National Association of State Agencies for Surplus Property.

Would you be kind enough to tell us where you are from?

STATEMENT OF LLOYD K. BARRY, PRESIDENT, NATIONAL ASSOCIATION OF STATE AGENCIES FOR SURPLUS PROPERTY

Mr. BARRY. My name is L. K. Barry. I am the executive director of the Texas Surplus Property Agencies, and have been for 12 years. I am here to testify on behalf of the National Association of State Agencies for Surplus Property of which the States and possessions are active members, and of which I am president.

My remarks apply exclusively to those bills dealing with personal property.

The National Association of State Agencies for Surplus Property at its recent 12th annual conference went on record as being opposed to increasing the types or categories of institutions or organizations eligible to acquire donable surplus Government personal property. The gist of the resolution passed by our national association was as follows: (1) The addition of eligibles would make for thin distribution of the property now available, (2) it would not increase the amount of surplus available, (3) it would complicate and make impractical the administration of the program.

There were many long and well-considered reasons for this action.

I digress from my written comments here to state that yesterday we had figures showing that within recent years the program has increased from the distribution of \$12 million to something like \$360 million worth of surplus property. That is an increase of 3,000 percent, or 30 times. That does not mean that each individual institution is getting 30 times as much property. It simply means that the active participation in the program by our schools, hospitals, and others, has increased from about 25 percent of the eligibles to upward of 90 percent who are now participating constantly.

The donation program administered by the Department of Health, Education, and Welfare and the State agencies for surplus property has become big and complex. It is highly organized and strictly regulated, but has been subject to continuous and confusing changes in procedures growing out of changes in regulations by the various Federal agencies concerned with the program.

There seems to be a possibility that the donations program will settle down in the next few months to where it can be thoroughly understood by all concerned—those operating the program, the Federal agencies, and the donees benefiting from the program. The addition of new eligibles at this time would seriously delay the stability of the program.

Not one of the bills under consideration would create an outlet for types of surplus not now being utilized by the present donees and not now in short supply to satisfy the needs of the present donees.

Regardless of what they say in all good faith and sincerity may be the types of surplus that they would need now being sold rather than donated, experience has proven that the new eligibles will want and will compete for exactly the same types of property that educational

and public health and civil defense organizations are now utilizing.

Yesterday I believe it was Mr. Callison who testified on behalf of wildlife that it would utilize trucks and earthmoving equipment, under the presumption that present eligibles have no need for earthmoving equipment and trucks. He couldn't have been further wrong if he had even named desks, because there is a shortage of this equipment. We get very little of it, and we need a great deal.

Senator GRUENING. I do not think, as I heard his testimony, that he denied the need of other agencies to receive this kind of equipment. He merely pointed out that it was useful in the field in which he was primarily interested.

Mr. BARRY. I thought he stated—in fact, he attempted to make a point of the fact that as a type of surplus they might want that would be one of the things that we had little need for.

Senator GRUENING. Well, we will question him.

Mr. BARRY. The addition of a single new type of eligible would necessitate redrafting almost every one of the many forms, manuals, regulations, and booklets now in use by the Department of Health, Education, and Welfare, and the State agencies, and this would cost the Department a very appreciable amount of money; the total cost to the State agencies would be far more. Since all State agencies for surplus property are wholly or largely self-supporting from fees collected from the donees they serve, these additional costs would necessarily be borne by the donees.

If new eligibles were created, it would be like opening Pandora's box. Each session of the Congress will find dozens of pressure groups seeking admission to the program, even more so than has been the case heretofore.

During my 13 years in the program, I have had applications for participation from dozens of ineligible types of organizations that were, in my opinion, at least as worthy, as well administered, and far more in need of surplus than are any of those now under consideration.

It is not generally known that before donable surplus is made available to the State agencies for surplus property, for distribution to our schools, hospitals, and civil defense organizations, the State forestry services, the State highway departments, the soil conservation districts, the Boy Scouts, the Girl Scouts, the Campfire Girls, the Boys Clubs of America, Civil Air Patrol, and an ever-increasing number of public and private schools with ROTC's have a priority over our donation program in acquiring military surplus.

And 93.5 percent of all donable surplus comes from the military.

Most of those knocking at the door of eligibility are badly misinformed about the quantities of usable surplus available. Most of that which is apparently usable by eligibles, but which goes on sale, has been screened for the donation program and has been rejected as uneconomically repairable for use by donees. If, in some States, as appears to be the case, usable surplus is being sold in appreciable quantities, this is due to an inefficient State agency for surplus property, which, in turn, is due to lack of vision on the part of the State officials controlling the State agency, but the addition of eligibles in no wise correct this situation. The State agency would not become more efficient or more energetic, simply because of an increase in the number of eligibles.

There is no need whatever for the passage of Senate bill 1018, making the cooperative agricultural extension work eligible. It is already eligible. The experiment stations and agricultural extension projects under the Texas A. & M. College system, for instance, have acquired \$400,000 worth of donable surplus in the past 12 months. They have done equally well in Ohio, and proportionately well in some other States. In those States where these programs are not getting property, the fault lies entirely with the colleges under which they operate.

Those of us with long experience in the program know that the language of S. 1018 is such that it actually could create a rival program wholly separate and apart from the program now operated by the Department of Health, Education, and Welfare, and contrary to the intent of Congress that a single State agency handle all donations of the Federal surplus within that State. If there be any doubt about this, I point to section 203(j)(2) of the Federal Property and Administrative Act of 1949, as amended. As it now stands, that section, under which Boy Scouts, Girl Scouts, and numerous other activities of special interest to the armed services enjoy a priority in acquiring donable military surplus—part of that section reads, and I quote, “If the Secretary shall determine that such property is usable and necessary he shall allocate it for further transfer by the Administrator to the appropriate State agency for distribution to such educational activities.” That is Boy Scouts, Girl Scouts, and so on.

The law very plainly states that distribution to these so-called special interest activities shall be made by the State agencies. Yet not a single item of donable surplus in the entire United States has ever been transferred by GSA to a single State agency for distribution to such special interest activities.

S. 1018 would, in all probability, result in a similar situation with respect to agricultural extension work, because it puts under the Secretary of Agriculture rather than under the Secretary of Health, Education, and Welfare, the responsibility for certain determinations.

With the possible exception of remarks specifically about S. 1018, my remarks apply in general to all bills under consideration. However I must call attention to one feature common to S. 1210 and S. 1365, bearing on the eligibility of voluntary fire departments and welfare agencies, respectively. In both cases, donations would be made to organizations administered largely by voluntary workers. In most cases, there would be almost no accountability for donated surplus by such organizations, and no practical means by which legitimate use of donated property could be assured. And I must add in most sections of the country, voluntary fire departments are already the nucleus of civil defense organizations in small towns and communities and are thus eligible and receiving donable surplus.

May I conclude by saying that we deeply appreciate the privilege of appearing at these hearings. It has not always been extended to us. And in a few cases in the past some bills have cleared the committee which, if they had passed, in our opinion, resulted in a little disaster for the program.

SENATOR GRUENING. Mr. Barry, I appreciate your statement. I would like to get your views specifically on these bills. Have you a list of the bills of the committee?

MR. BARRY. Yes, sir.

Senator GRUENING. Let us go down the line. Are you opposed to S. 155?

Mr. BARRY. We are opposed to all of them on the basis primarily of the fact that if you open the door for one, where are you going to stop?

Senator GRUENING. Well, that is the position of the GSA and the Department of Health, Education, and Welfare. In other words, you share the Department's view that none of these bills should be enacted?

Mr. BARRY. I am certainly not opposed to libraries. I am pretty much in favor of libraries. I am a patron of them. But there are many other educational programs, and so on, that are quasi-educational, that would fall in that same category.

Senator GRUENING. Is your opposition due to the fact that you believe that the States should handle all these local needs?

Mr. BARRY. You mean take the State agencies for surplus property?

Senator GRUENING. Yes.

Mr. BARRY. Yes; that was the expressed intent of—

Senator GRUENING. In other words, your contention is somewhat of a jurisdictional one? You believe that the State agencies should handle it, and that these other interests shouldn't barge in, isn't that about your view?

Mr. BARRY. No, sir. If there is a donation program, or if any are eligible, we believe that it should be handled through one single agency, and that was very clearly expressed as the intent of Congress when the last two amendments were passed. But for a long time, the National Association took the position that it would neither favor nor oppose any addition or exclusion of eligibles, because we felt that that was a function of the Congress. But the program has gotten so big and we have had so many complications in it, due partly to the priority that these special interest activities enjoy, and due also to the injection of the State soil conservation districts, and others into the program, that we felt that it would definitely handicap the administration of it, spread the property too thin, and that we ought to express ourselves on it.

Senator GRUENING. Well, you referred to special interest agencies. Isn't every agency, including the State, a special interest agency?

Mr. BARRY. Well, I am referring to those in section 203(j)(3) of the law that are called Activities of Special Interest to the Armed Forces.

Senator GRUENING. Well, how does the distribution of property to the State agencies work in terms of taking care of some of the needs that are obviously sought to be fulfilled by this legislation? Would you, through the State agency, do anything for State libraries, which are now not included?

Mr. BARRY. No, sir. I don't think you could stop—because I believe if you include libraries, then the next time you are going to have at least a dozen others.

Senator GRUENING. Well, to what agencies do you distribute the property, through your State agency?

Mr. BARRY. Schools of all types that are either nonprofit or tax exempt, to hospitals, clinics, health centers and medical institutions that are either tax supported or nonprofit, and to civil defense organizations that are established under State law.

Senator GRUENING. Civil defense organizations in the various States receive the property through the State agency, and not directly?

Mr. BARRY. Yes, sir.

Senator GRUENING. You know there has been a good deal of criticism the way that has been handled, do you not?

Mr. BARRY. Yes, sir, I am well aware of that fact. I could add a good deal to it.

Senator GRUENING. Senator Young of Ohio—

Mr. BARRY. And Senator Douglas, of Illinois—

Senator GRUENING (continuing). Introduced an editorial in this morning's record, from the Springfield Daily News, which I think could properly be made part of this record, in which, among other things, it states, "State civil defense headquarters in Columbus have called upon Champaign County officials to return thousands of dollars worth of civil defense equipment which that county is said to have received last year and improper use of this equipment is charged."

(The article referred to follows:)

[Congressional Record Appendix, July 29, 1959]

CIVIL DEFENSE: SO WHAT IS MONEY?

Extension of Remarks of Hon. Stephen M. Young of Ohio, in the Senate of the United States, Wednesday, July 29, 1959

Mr. YOUNG of Ohio. Mr. President, I ask unanimous consent to have printed in the Appendix of the Record an excellent editorial, "So What Is Money?" which was published in the Springfield Daily News, a leading Ohio Newspaper, on July 5, 1959.

I believe that the editorial points out once again the waste of the taxpayers' money on our obsolete civil defense program. It cites as an example the misuse and mismanagement by civil defense officials of Federal surplus property donated to a county in the State of Ohio. I commend this to my colleagues in the Senate.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

"So WHAT IS MONEY?

"Another of the many examples of loose management by civil defense authorities resulting in the loss of tremendous sums of money contributed by American taxpayers has turned up in Ohio. States civil defense headquarters in Columbus has called upon Champaign County officials to return thousands of dollars' worth of civil defense equipment which that county is said to have received last year. Improper use of this equipment is charged.

"Regardless of circumstances, one can hardly blame the Champaign County officials for trying to get their share of this equipment. After all, citizens of that county pay Federal taxes and have helped to provide the funds with which such equipment was originally purchased. Throughout the Nation, various political subdivisions have been participating in this distribution of so-called surplus property.

"Gen. Loren G. Windom, adjutant general of Ohio, says that it was a mistake in judgment that permitted the Champaign County representatives to obtain unlimited amounts of the surplus equipment. One or two such mistakes could be forgiven, but they have been turning up here and there in innumerable instances. Aside from those disclosed on various occasions by U.S. Senator Stephen Young, many others have been brought to light by newspaper and other private investigations into civil defense operations.

"No one can condone, of course, the use of any Government equipment by private individuals for private purposes, but there is question as to why any Government surplus items should be stored merely to rot away if they can be put to advantageous use for the citizens who footed the bill for the equipment in the first place.

"The trouble appears to be that the Nation has permitted itself to be frightened by possibilities of nuclear warfare into dumping huge sums of money in any sort of thing that at first glance would appear to offer some sort of defense in case of attack. So much of the Nation's wealth could be wasted in such fruitless efforts that if war did come we would be ill prepared economically to cope with it.

"What is needed is a down-to-earth study of the entire defense situation with a view of putting it on a practical basis both as to its operations and its costs. Certainly America wants to be prepared against any eventualities, but there is a vast difference between actual protection and spending ourselves bankrupt buying sand with which to cover our heads."

Senator GRUENING. Well, now, whose responsibility would this be if the allegation, the charge of improper use were verified? Would that be the State agency that would be responsible?

Mr. BARRY. No, sir. Under this civil defense section of the law, it is somewhat similar to this proposed agricultural extension law. You see, that is set up by the Administrator of FCDA, now OCDM, who determines who is going to be eligible, and just exactly what they can get and can't get, and who is responsible for checking on it to see what they do with it.

FCDA, now OCDM, delegates to the Department of Health, Education, and Welfare the responsibility for administering the program. We acquire the property for them, that is HEW does, and through us, distribute to local civil-defense organizations. But that is the end of it. That is where our legal responsibility ends.

Senator GRUENING. Is it your impression that the demand for surplus exceeds the supply?

Mr. BARRY. It certainly does, yes, sir.

Senator GRUENING. So that the demands that are now provided for, the agencies now provided for in the law, can't get all they want, is that right?

Mr. BARRY. No, sir, they cannot. That is true in every State.

Senator GRUENING. Now, would you, from your experience, favor cutting out some of the eligibles—health, education?

Mr. BARRY. No, sir.

Senator GRUENING. Civil defense?

Mr. BARRY. Well, if they don't change, they are going to cut themselves out. That is all I care to say about that. I didn't favor them coming in.

Senator GRUENING. Well, I think that answers the question. You didn't favor their coming in. You wouldn't object to cutting them out?

Mr. BARRY. I think it is as bad as we said it would be, or worse.

Senator GRUENING. My attention is called to the fact that you did oppose the entry of civil defense several years ago. You are on record to that effect.

Mr. BARRY. Yes. I got a lot of unfavorable comments from the various States about it.

Senator GRUENING. About how large is the personnel engaged in the State agencies? I don't know that you would know offhand.

Mr. BARRY. It varies tremendously. I have been working with the Department of Health, Education, and Welfare now, developing a questionnaire in which we have 200-some-odd questions, I believe, on all phases of the operation. We have in Texas six warehouses, in six widely separated parts of the State, and we have about 120 employees. Some other States equally large in population, but smaller in area, have no need for such wide distribution of warehouses, and that cuts

down on their number of employees. We transport most of our own property, all of it within the State, with our own trucks. But some certain other States, like Ohio, for instance, ships all of their property commercially, so that makes a difference.

Senator GRUENING. In your State, who financed the construction of these warehouses?

Mr. BARRY. They are all leased.

Senator GRUENING. The State pays, or does the Federal Government pay?

Mr. BARRY. The Federal Government pays for nothing.

Senator GRUENING. The State pays the whole cost of receiving the property and distributing it?

Mr. BARRY. Yes, sir; our budget for this coming year will be a little over \$700,000.

Senator GRUENING. Well, for that \$700,000, what would you estimate would be the value of the surplus property that you distribute in the State of Texas?

Mr. BARRY. \$15 million a year.

Senator GRUENING. In other words, your cost of handling and distribution is about roughly 5 percent?

Mr. BARRY. Yes, sir. And it is accurately determined by a CPA. We run a cost accounting every quarter.

Senator GRUENING. Well, thank you very much. The prepared statement you submitted will appear at this point in the record.

(The statement of Mr. Barry is as follows:)

STATEMENT OF L. K. BARRY ON BEHALF OF THE NATIONAL ASSOCIATION OF STATE AGENCIES FOR SURPLUS PROPERTY

My name is L. K. Barry; I am here to testify on behalf of the National Association of State Agencies for Surplus Property of which all 53 States and possessions are active members and of which I am the president.

The National Association of State Agencies for Surplus Property, at its recent 12th annual conference, went on record as being opposed to increasing the types or categories of institution and organizations eligible to acquire donable surplus Government personal property. The gist of the resolution passed by our national association was as follows:

"Addition of eligibles would make for a thin distribution of the property now available.

"It would not increase the amount of surplus available.

"It would complicate and make impractical the administration of the program."

There were many long and well considered reasons for this action.

1. The donation program administered by the Department of Health, Education, and Welfare and the State agencies for surplus property has become big and complex. It is highly organized and strictly regulated but has been subject to continuous and confusing changes in procedures growing out of changes in regulations by the various Federal agencies concerned with the program. There seems to be a possibility that the donation program will settle down in the next few months to where it is thoroughly understood by all concerned: those operating the program, the Federal disposal agencies, and the donees benefiting from the program. The addition of new eligibles at this time would seriously delay the stability of the program.

2. Not one of the bills under consideration would create an outlet for types of surplus not now being utilized by the present donees and not now in short supply to satisfy the needs of the present donees. Regardless of what they, in all good faith and sincerity, may say about the types of surplus property they would need being that which is now being sold rather than donated, experience has proven that any new eligibles will want and will compete for exactly the same types of property that educational, public health, and civil defense organizations are now utilizing.

3. The addition of a single new type of eligible would necessitate redrafting almost every one of the many forms, manuals, and regulations now in use by the Department of Health, Education, and Welfare and the State agencies, and this would cost the Department a very appreciable amount of money; the total cost to the State agencies would be far more. Since all State agencies for surplus property are wholly or largely self-supporting from fees charged the donees they serve, these additional costs will of necessity have to be borne by the donees.

4. If new eligibles are created, it will be like opening Pandora's box. Each session of the Congress will find dozens of pressure groups seeking admission to the program, even more so than has been the case heretofore. During my 13 years in the program I have had applications for participation from dozens of ineligible types of organizations that were in my opinion at least as worthy, as well administered, and far more in need of surplus than are any of those now under consideration.

5. It is not generally known that before donable surplus is made available to State agencies for surplus property for distribution to our schools, hospitals, and civil defense organizations, the State forestry services, the State highway departments, the soil conservation districts, Boy Scouts, Girl Scouts, Campfire Girls, Boys Clubs of America, Civil Air Patrol, and an ever-increasing number of public and private schools with ROTC's have a priority over our donation program in acquiring military surplus—and over 93 percent of all donable surplus comes from the military. Most of those knocking at the door of eligibility are badly misinformed about the quantities of usable surplus available. Most of that which is apparently usable by eligibles but which goes on sale has been screened for the donation program and has been rejected as uneconomically repairable for use by donees. If, in some States, as appears to be the case, usable surplus is being sold in appreciable quantities, this is due entirely to an inefficient State agency for surplus property which, in turn, is due to lack of vision on the part of State officials controlling the State agency; the addition of eligibles would in nowise correct this situation: the State agency would not become more efficient or energetic simply because of an increase in the number of eligibles.

6. There is no need whatever for the passage of S. 1018 making cooperative agricultural extension work eligible: it is already eligible. These experiment stations and agricultural extension projects under the Texas A. & M. College system, for instance, have acquired \$400,000 worth of donable surplus the past 12 months. They have done equally as well as Ohio and proportionately as well in some other States. In those States where these programs are not getting property the fault lies wholly with the colleges under which they operate. Those of us with long experience in the program know that the language of S. 1018 is such that it actually could create a rival program wholly separate and apart from the program now operated by the Department of Health, Education, and Welfare and contrary to the intent of the Congress that a single State agency handle all donations of Federal surplus within that State.

If there be any doubt about this, I point to section 203(j)(2) of the Federal Property and Administration Services Act of 1949, as it now stands, under which Boy Scouts, Girl Scouts and numerous other activities of special interest of the Armed Forces enjoy a priority in acquiring donable military surplus. Part of that section reads:

"If the Secretary (of Defense) shall determine that such property is usable and necessary for such purposes, he shall allocate it for transfer by the Administrator (of GSA) to the appropriate State agency for distribution to such educational activities."

The law very plainly states that distributions to these so-called special interest activities shall be made by the State agencies yet not a single item of donable surplus in the entire United States has ever been transferred by the GSA to a State agency for distribution to such special interest activities. S. 1018 would, in all probability, result in a similar situation with respect to agricultural extension work because it puts under the Secretary of Agriculture, rather than under the Secretary of Health, Education, and Welfare, the responsibility of certain determinations.

7. With the possible exceptions of remarks specifically about S. 1018, my remarks apply in general to all bills under consideration. However, I must call attention to one feature of S. 1210 and S. 1365, bearing on the eligibility of volunteer fire departments and welfare agencies, respectively. In both cases, donations would be made to organizations administered largely by volunteer workers. In most cases there would be almost no accountability for donated

surplus by such organizations and no practical means by which legitimate use of donated property could be assured. And, I must add, in most sections of the country, volunteer fire departments are already the nucleus of the civil defense organizations in small towns and communities and are thus eligible for and receiving donable surplus.

Senator GRUENING. Mr. Harry Hayman, former president of the National Association for Retarded Children.

STATEMENT OF HARRY HAYMAN, THE NATIONAL ASSOCIATION FOR RETARDED CHILDREN

Mr. HAYMAN. Thank you, sir.

I am not former president of the national, I am former president of the local unit here, which is a member of the national association. I have a telegram ¹⁷ here from the national association which I would like to enter into the record. Rather than read it, I would like to tell you what this surplus property will mean to us at a local level—since all these people have had their paid help here representing them, I would like to tell you what it means to our group. We will benefit from this bill. And I would like to tell you what it means, if you will permit it.

Senator GRUENING. Mr. Hayman, which bill are you testifying on?

Mr. HAYMAN. I am testifying for S. 1365, 1210, and 1018, and whatever parts of the other bills that would assist us in securing surplus property for the use of our association.

Senator GRUENING. Wait a minute. S. 1018 authorizes surplus property to agricultural extension work. That isn't your category.

Mr. HAYMAN. No; it is not our category, sir. But I cannot tell from reading it—I am not a lawyer—whether we would come in under certain clauses there.

Senator GRUENING. Have you a list of the bills under consideration there, and would you point out which ones would benefit the retarded children?

Mr. HAYMAN. Yes, sir. I tried reading them, but I am not a lawyer, and I couldn't get too much out of them.

Certainly, S. 1365 and I guess that is about the only one that from this list here that I could tell would benefit us. But from reading over the other bills, we may come in under certain of the other bills.

Senator GRUENING. Well, your interest is particularly in retarded children, is it not?

Mr. HAYMAN. Yes, sir. I am representing the national association as well as the local association here in Washington, D.C.

Senator GRUENING. Well, now, those children are, as a rule, in special schools, are they not?

Mr. HAYMAN. Where there are special schools available for them, yes, sir.

Senator GRUENING. Otherwise, how are they being educated, where there are not special schools?

Mr. HAYMAN. Here in Washington, is a rather sad situation. We, ourselves, in our own group, have been growing every year. We have a long waiting list for our facilities. We only are able to handle about 100 children. There are certain other private schools here which probably handle another 400 or 500. As close as we can de-

¹⁷ See p. 109.

termine, there are about 8,000 retarded children here in the District of Columbia. Public school facilities have only one school which provides facilities for only 30 children.

Senator GRUENING. Which school is that?

Mr. HAYMAN. That is the school on Military Road, the Military Road School. It is a fine school, but, again, it can just handle a small number of children.

Senator GRUENING. Is that eligible under the provisions that permit surplus property for public schools?

Mr. HAYMAN. I don't know if that is eligible, sir. I can only speak for our own school.

Senator GRUENING. What is your own school?

Mr. HAYMAN. Our own school is organized under our organization, and we are running it this year at the St. Mary's Episcopal Church, who have donated the use of their facilities, at 23d Street, right near Virginia Avenue.

Senator GRUENING. Does that receive any surplus property?

Mr. HAYMAN. No, sir, we have not received any for our association at all.

Senator GRUENING. Have you requested it?

Mr. HAYMAN. We have no way of requesting it, sir, since apparently there is no legal method of getting it.

Senator GRUENING. Under the existing law, the surplus property is available for purposes of education and health. And certainly a retarded child would fit into both those categories, I would think.

Mr. HAYMAN. They certainly would appear to fit in those categories. But we are also eligible for aid in the form of grants under certain other bills. But—

Senator GRUENING. I will ask Mr. Gray to come forward again.

I wonder whether you would join in this discussion, Mr. Gray, so we can clarify the situation.

Obviously, the retarded children should be the object of our greatest solicitude. Now, are they included or excluded?

Mr. GRAY. Many of them—I think I could safely say most of them, if they operate a bona fide school, which meets our definition of a school, and a great many of them do, are eligible and receive surplus property on the same basis as any other school. We do have a problem where some institutions are mainly custodial, and do not meet the qualifications of a school, and those we have not been able to find eligible. But there are a great many schools for retarded children all over the country which have been able to demonstrate that they do operate an approved school. And they are eligible to receive surplus property.

I don't know about this particular group here. I would be interested in knowing if they have ever made application for a determination of eligibility.

Mr. HAYMAN. I can't really say at this time, I would have to check our records on that. But I will also speak, then, if the custodial schools are not eligible, I would like to speak for them as well.

Mr. GRAY. Well, the law, I want to point out, reads "school," and a strictly custodial institution is not a school. And we do have to draw the line there.

Senator GRUENING. You don't call a reform school a school, then?

Mr. GRAY. Yes, we do. We call it a school under the same circumstances. If they have approved educational courses—and most of the reform schools do—then they are a school in our interpretation.

Senator GRUENING. Isn't that a custodial institution?

Mr. GRAY. It is custodial, but they conduct a bona fide educational program, and that portion of the operation is eligible to receive surplus property. I might point out further that many prisons conduct fully approved educational programs, approved by the State departments of education, leading to credit. The school portion of that prison is eligible to receive surplus property.

Senator GRUENING. Well, we had the testimony yesterday of a superintendent of prisons in the State of Maryland who indicated that his penal system was not receiving surplus property.

Mr. GRAY. I believe you will recall he stated that three of their institutions have been found eligible. That would be the institutions which were conducting an approved school program. They are only eligible on the basis of conducting an approved school program. If they are not conducting an approved educational program, they would not be eligible, because their whole eligibility rests on that.

Senator GRUENING. Mr. Hayman, is there any way in which the committee could get information as to what schools or institutions there are for retarded children, so that we could get specific information from the Department of Health, Education, and Welfare whether they were or were not receiving this aid?

Now, the testimony of Mr. Gray would indicate that these schools are eligible, and I gathered from what you are about to say, or started to say, that so far the retarded children have not been the beneficiaries. And I would like to reconcile these two views, if I could.

Mr. HAYMAN. Certainly the custodial schools are not getting any aid, and these are the ones that have the roughest time. As far as I can state locally here, we have not received any aid. Maybe it is through ignorance on our own part.

Senator GRUENING. Are you familiar with the workings of any custodial school?

Mr. HAYMAN. Yes, sir, I am.

Senator GRUENING. Do they teach in those schools?

Mr. HAYMAN. They attempt to teach as best they can.

Senator GRUENING. Well, what do they do if they do not teach? Do they merely keep the children there?

Mr. HAYMAN. Well, the number of crib cases which are really serious are small. They attempt to teach those children that are mobile as much as they can teach them. But then, again, we come to the problem of administrative difficulty in defining what is teaching and what is a school.

Senator GRUENING. Well, in a school for retarded children, whether custodial or otherwise, would you not consider them eligible on the ground of health as well as education?

Mr. GRAY. Again, if they can demonstrate that they are operating a medical institution, a hospital, or a clinic, and that it is an approved institution by the appropriate State authority. We rest on the determination of the State authorities. In other words, if they come in and apply as a clinic, we inquire as to whether or not the State

health department considers them to be a clinic in terms of our definition of the law.

Now, also, on these schools, we rely on the State and local authorities as to whether or not they consider this a school. We make our determination on the basis of official approval or accreditation by the responsible State authorities.

Also, we have found in some States that there are certain types of schools—and this type of school is representative—where State law does not provide for approval or accreditation by the State department of education. In those instances, our regulations provide that if they can demonstrate that students from their school are accepted by other accredited schools when they reach a point where they are able to go into another type of school, then we accept them as a school. However, if the record demonstrates that they are primarily a custodial institution, and that the educational part of the facility is very very limited, we have not found them eligible.

Senator GRUENING. A retarded child certainly should be under treatment, and that would come under your health provisions, would it not?

Mr. GRAY. If they can demonstrate that they have an approved medical facility.

Senator GRUENING. Has the Department of Health, Education, and Welfare any individual who is concerned with the question of retarded children?

Mr. GRAY. Our Children's Bureau people are greatly concerned with them.

Senator GRUENING. I would like very much to get a report from the Children's Bureau on the present status of education of retarded children, what institutions there are, in the States, which ones are eligible under the existing law, and what the procedure is for securing it. I think that is very important to this hearing.

Mr. GRAY. Well, Senator, I would doubt that anyone has that information.

Senator GRUENING. Why not? What are they there for, if not for this purpose?

Mr. GRAY. Well, I doubt that they have investigated specifically who has applied for eligibility. Eligibility is determined on the basis of an application. And there may be many schools potentially eligible who have never applied to determine their eligibility.

Senator GRUENING. Well, I am going to request the Department to send up the head of the Children's Bureau and have the head supplied with as much information on the subject as is available, so that the committee may have it. I think we are just beating ourselves around the stump. On the one hand, we have a witness here who wants aid, and the department doesn't know where aid is to be given, or what schools are eligible. I think we ought to get down to something specific here.

Mr. HAYMAN. This is a difficulty we always face. As an example of what happened with the Vocational Rehabilitation Act, we supplied for aid under this act—I can't remember exactly what section—and we were certified on no less than three occasions, but were advised there was no money available for us.

Senator GRUENING. Well, it isn't a question of money. It is a question of surplus property.

Mr. HAYMAN. This is surplus property. But I am just trying to point out that administratively, they certainly can give us a run-around.

Mr. GRAY. I would like to just point out that the surplus property law makes property available to institutions which are determined to be eligible. Now, if they never make application, they can never be determined to be eligible. And if they make application, we have very definite published regulations where we spell out the requirements that they must meet, and I can only tell you many, many schools of this type have been able to establish their eligibility. We can only determine that when they make an application and advise us on what type of a facility they are operating, and then we can determine whether or not it meets the requirements of a school or a hospital or a clinic, or whatever eligibility they may be able to establish.

Senator GRUENING. Mr. Hayman, would the National Association for Retarded Children be in a position to furnish this information as to the number of schools there are, or other institutions for retarded children?

Mr. HAYMAN. We do have lists of the number of schools, but we would have to inquire from each of them as to whether they have ever received surplus property. We do maintain local and nationally as much information about schools for retarded children as we can.

Senator GRUENING. Well, if you could supply us with that list, I will have Mr. Shriver of the committee staff make the inquiry as to whether they have applied, and what the result has been.

Mr. HAYMAN. Yes, sir; I will. Thank you.¹⁸

Senator GRUENING. Will you please continue with your testimony?

Mr. HAYMAN. Well, I was just going to say that there was one comment made, just prior to my testimony, about unaccountability of property when it is handed out to groups such as ours. I don't think that the gentleman quite realizes what we must go through to obtain aid from such—

Senator GRUENING. May I interrupt you a moment. It was my impression in that statement he was referring to voluntary fire organizations. I don't think he referred to retarded children.

Is that correct?

Mr. BARRY. That is correct.

Mr. HAYMAN. Well, we do maintain a budget, we do maintain a balance sheet, and a statement of operations that we publish, and it is available for anybody to see. It is audited by a certified public accountant. And I think we operate as a voluntary organization in complete accordance with the best of accounting and business practices. Of course, we have no profit and loss, except the good feeling we get of helping the children. But this particular bill, if it eases us, eases our way in getting any aid at all from the surplus property, even if it is only \$100 for each of our organizations, it certainly helps. I know for ourselves, we get most of our money from the United Givers Fund. But this is only some 50 percent of the money necessary for our operations each year. We have got to go out and beg, borrow, or whatever else we must do, to raise sufficient funds to continue to operate. Even though the property we would receive would be small—maybe only

¹⁸ On file with the subcommittee.

a hundred or a couple of hundred dollars worth—it means this much less we have to raise for this purpose.

I would like to enter this telegram from the national association in the record, sir.

Senator GRUENING. Will you read it?

Mr. HAYMAN. Yes, sir; if you so desire. [Reading:]

Hon. ERNEST GRUENING,

*Chairman, Subcommittee of the Senate Committee on Government Operations,
U.S. Senate, Washington, D.C.:*

May we for the record present the following statement:

We regret exceedingly our current attendance at the First International Conference on Mental Retardation being held in Portland, Maine, prevents us from appearing in person at the hearing to testify in behalf of Senate bill 1365 which would authorize the donation of surplus property to certain welfare agencies.

We understand that there is some opposition to the passage of this bill based on existing administrative problems which may be faced in the disposition of surplus property. Notwithstanding we believe that the amount of benefit which may be derived from the donation of surplus property in support of our local recreation and welfare programs will far outweigh these administrative problems. Many of our local member units find themselves struggling to maintain themselves and few have any sure fiscal or tax base under which they operate.

Enabling our member units which provide both recreation and vocational rehabilitation training programs through sheltered workshops and the like to qualify for Federal surplus property would further and extend their programs and aid in their efforts to rehabilitate an increased number of the mentally retarded in our country. This is in keeping with the public interest and the intent of the law.

The activity of our local units will in the future save governmental assistance agencies millions of taxpayers' dollars. We submit that aid to at least 1 million retarded is of sufficient interest to make it advisable to surmount any administrative difficulties which may be encountered.

It is signed by Vincent J. Fitzpatrick, secretary, and Dr. Gunner Dybwad, executive director, National Association for Retarded Children.

Senator GRUENING. Now, the bill you think would come closest to satisfying the need, S. 1365, merely authorizes disposal to certain welfare agencies. Now, those are agencies that are licensed by a State, or receives funds through a State or local community, or such agency which is affiliated with or is a part of a national organization.

Have you any knowledge that, if this bill were enacted, your retarded children would get help?

Mr. HAYMAN. I can't say definitely they will get help. It depends upon the administrative difficulty we have in securing this surplus property.

Senator GRUENING. Well, I find it difficult to see why, under the present law, schools for retarded children do not qualify, both under the health and under the educational provisions. And I think that is one thing that the committee should look into. And I will endeavor to get that information, if it is obtainable. And I don't know how easily it can be obtained.

I would like to ask Mr. Barry to come forward.

Do you happen to know whether in the State of Texas there are any schools for retarded children?

Mr. BARRY. Yes, sir. There are about 12 that I can name that are eligible. There may be more.

Senator GRUENING. Are they eligible to receive surplus through your agency?

Mr. BARRY. Yes, sir; and they do receive it. We make a special effort to get it to them. They have to apply, as Mr. Gray said, for eligibility, and we check, because a number of these organizations start out just as sort of a little voluntary group, more or less. They have got to get to the point where there is a very definite organization, and responsible for the situation. The work done can't be just a mass meeting every other day, or something of that sort.

Now, everyone of these are members of this National Association Mr. Hayman speaks of, because they always point that out. That isn't the only criterion, but that is one of them.

Mr. HAYMAN. Do you give aid to the custodial institutions, private, under our national organizations?

Mr. BARRY. No—except that our State training school, which is a nice word for reformatory—each of those is within itself an independent school district. Now, we have others, both tax-supported and nonprofit juvenile homes. We have one in San Antonio called Boysville. They are problem cases, and so on. But they are not eligible, because they do not have a school. They farm the pupils out to other schools.

Senator GRUENING. Mr. Barry, would it be very difficult for you to get some specific information on the status of surplus property in relation to your schools, your 12 schools for retarded children? If you would give the committee the names of the persons to wire to, the committee will request the information—if you think it can be secured.

I would like to satisfy the record here as to what is being done and what is not being done for retarded children, and what could be done properly that is not being done.

Now, you have come up with a very satisfactory answer. In other words, you have 12 schools there and they are getting surplus property?

Mr. BARRY. Many of them have only applied within the last 2 years, probably half of them within the last year. It seems that this thing is kind of snowballing, and they are really just now getting underway.

Senator GRUENING. The administration was a little retarded, too, wasn't it, the administration of the schools was somewhat retarded, also?

Mr. BARRY. Yes, sir.

May I make a suggestion to the gentleman here?

We contact the probable eligible first. We don't wait for them to come to us, if we know of their existence. Now, the public schools are all listed, the Catholic schools, and the various other schools. But certain groups—and if your national association would send out to each of the State agency directors the list of the schools for retarded children in each State then they would be glad to contact them first, rather than wait on them to contact the State agency.

Senator GRUENING. Is your association equipped with sufficient secretarial help so it could assist the committee in getting some of this information?

Mr. BARRY. If they send the list to me I will take care of it.

Mr. HAYMAN. We only have one secretary here, and we have her quite overburdened. We try to keep our administrative costs down to a minimum.

Senator GRUENING. Well, Mr. Barry, I think it would be very helpful if we could have the record of a particular State. And as you happen to be in charge of this for the State of Texas, I wish you would get us this information specifically, and we can deduce from that what is possible in other States. And I think that might be an entering wedge to what Mr. Hayman is trying to get at. If, as it appears in many cases, these schools have not been aware of their rights, their eligibility, this would be one way in which it could be called to their attention.

So, if you—we will keep the record open for a week, if you could get us that information, we would appreciate it.¹⁹

Mr. HAYMAN. There is still the problem of the custodial schools, sir, getting in under the existing regulations.

Senator GRUENING. Well, I think that is a matter of administration, and we certainly would recommend to the Department of Health, Education, and Welfare that a custodial school would be one in which the children were so retarded that they could not be benefitted by education—wouldn't that be so?

Mr. HAYMAN. I guess that would be a good definition.

Mr. BARRY. He has used the term "custodial school." If it is a custodial school, it is eligible.

Senator GRUENING. Not according to Mr. Gray. He says that a custodial school would not be eligible.

Mr. BARRY. He said a custodial institution.

Senator GRUENING. A custodial institution, in the case of retarded children, would, presumably, be one in which the children were so retarded, had such a low mentality, that education would not be possible.

Is that correct?

Mr. HAYMAN. Well, everybody can be educated to a certain limited extent.

Mr. BARRY. We have some qualified under the public health, also.

Senator GRUENING. I would think that the Department of Health, Education, and Welfare would broaden its definition so as to include the institutions where these unfortunate children are kept; even if they do not have more than a most elementary education, they certainly must have some health matters to take care of.

Thank you very much, Mr. Hayman.

Mr. HAYMAN. Thank you, Senator.

Mr. BARRY. Senator, you have, or had a bill by Senator Chavez about the Boys Ranch in New Mexico. Now, it might be interesting to note that we have near Amarillo, Tex., a very famous Boys Ranch which is eligible because it is an independent school district. That group there constitutes a school. I presume that the one in New Mexico is very similar, except that they send the pupils out to public school, which makes the difference under the present law. Otherwise—I know the State agency director in New Mexico, I know them all—this institution would have been eligible.

Now, that is a type of purely custodial institution, I presume, without its own school, and therefore technically and actually ineligible. And there are thousands of those in the country.

¹⁹ See letter to Senator Gruening, dated Aug. 3, 1959, from the National Association of State Agencies for Surplus Property, p. 248.

Senator GRUENING. In other words, the State of Texas has made it legislatively possible for your organizations to receive surplus, whereas the ones in New Mexico have not?

Mr. BARRY. By the establishment of a school system only.

Senator GRUENING. That is right.

Is Dr. Townsend here? Dr. Townsend, do you wish to testify on a particular bill?

STATEMENT OF DR. WILLIAM CAMERON TOWNSEND, SUMMER INSTITUTE OF LINGUISTS, UNIVERSITY OF OKLAHOMA

Dr. TOWNSEND. Yes, sir. I believe it is S. 2198. It does not broaden the scope of the disposal of surplus property, but permits institutions that now qualify, such as State universities, to take surplus abroad for work that they are doing in foreign countries.

I believe it is something that would be very helpful to winning friends for the United States.

The State universities that are conducting programs abroad are doing so under contracts with the local governments. For instance, our Summer Institute of Linguistics in the University of Oklahoma has contracts with the governments of Mexico, Guatemala, Peru, Ecuador and Bolivia, and a working agreement with the Museum of Brazil.

Senator GRUENING. May I ask, is this part of the mutual security program?

Dr. TOWNSEND. No, sir.

Senator GRUENING. It is entirely independent?

Dr. TOWNSEND. Entirely independent. We get no support from the U.S. Government and nothing from the State of Oklahoma, either. We do have our courses there each summer, and we are training over 200 young people in the science of descriptive linguistics annually there. But our work abroad is supported entirely by contributions.

I have just returned from a trip with a party from Orlando—the president of the Chamber of Commerce of Orlando, Fla., and a number of citizens from Orlando, that took an airplane, a PBY, a Catalina, and presented it to the governments of the five Amazon countries. Senator Holland had presented the plane, along with Under Secretary Bennett, in Orlando, at the very impressive Inter-American good will ceremony on the 20th of June. And then the following Sunday, that is, on the 28th, a group of 12 citizens from Orlando, and a photographer, and one or two others, traveled to Brazil and circled the Amazon River, area, over into Bolivia and and up into Peru and Ecuador, terminating the series of Inter-American good will ceremonies on Quito.

It was a highly successful trip. Many, many friends were won for the United States. And the airplane will continue its service in Amazonia under the care of our pilots and mechanics and radio technicians, serving everyone in the jungle—scientists, government officials, missionaries, businessmen and so forth. And that, of course, is winning friends for the United States. And also we are dotting the great Amazon area with scores and scores of linguistic outposts conducted by young people trained either at the University of Okla-

homa, the University of North Dakota, or the University of Washington, in Seattle—in some cases, London, England.

But I notice this along the Amazon. We stopped at Manous, spent a day-and-a-half there, were received by the Governor of the State of Amazonas, and he was very cordial, extremely so, toward the idea of American investors coming in and participating in the program of development for the Amazon River country.

However, when we sought a consul for the United States there was none. A Britisher was giving part time looking after the affairs of Uncle Sam.

The same holds true in Iquitos. And I was told from the mouth of the Amazon clear to the Andes, a stretch of 3,000 miles, the United States has no one looking after its interests, excepting the two Britishers, giving part time.

However, we do have the Americans of the Summer Institute of Linguistics, back in the jungle, working with the Indians, teaching them reading and writing, under contract with the Latin American governments. And if they could secure such articles as water purifier systems and generators and radios—they live in dangerous areas, many of them, perhaps most of them, and they need to report in on radio to our central base—it would be very helpful. In fact, we have to secure them today by buying them from dealers who have secured them from surplus sales and then sell them to us at a profit.

I understand that we can secure things that are abroad already if they are of no commercial value. We have quite an extensive program in the Philippine Islands. We can get surplus equipment there without any problem—we qualify. But to get things in the State of Oklahoma or in the State of North Dakota, or in the State of Washington, we qualify, but cannot take those things abroad where we are serving the interests of the United States.

Senator GRUENING. You mentioned radios and water purifiers. What other types of things do you use?

Dr. TOWNSEND. Generators and aviation equipment. We are operating over 20 airplanes. We need a lot of equipment to keep them in repair. We have two PBY's. We have an old Grumman Duck, still operating after 12 years of service. We are in partnership with the Peruvian Government—they give us the gas to keep that filled and we operate the plane.

Senator GRUENING. Does the Peruvian Government pay any part of the cost of this undertaking?

Dr. TOWNSEND. They help us with an office in the Ministry of Education in Lima. They let all our supplies in free of duty. And they give us a considerable amount of free gasoline for our airplanes.

Senator GRUENING. Is that all they do?

Dr. TOWNSEND. That is about all they can do.

Senator GRUENING. You think letting the things in free of duty is an act of generosity?

Dr. TOWNSEND. It helps us a great deal, I will say that. It amounts to several thousand dollars.

Senator GRUENING. Well, thank you very much.

Dr. TOWNSEND. May I show you some newspaper clippings that resulted from our trip. These are just some of the newspaper clippings we collected as we went along, all giving high praise to Orlando and its gesture of friendship and to the United States.

Senator GRUENING. Who finances these enterprises?

Dr. TOWNSEND. Individuals.

Senator GRUENING. Is it philanthropic?

Dr. TOWNSEND. That is right. Once in a while we get a gift from a foundation.

Senator GRUENING. Entirely by voluntary donations?

Dr. TOWNSEND. Yes, sir.

Senator GRUENING. Very worthy. How many people are engaged in these enterprises altogether?

Dr. TOWNSEND. We have 850 at the present time in 12 countries of the world, and we are expecting to send out over 100 this year.

Senator GRUENING. What are the countries?

Dr. TOWNSEND. Apart from the ones named, we have researchers in the Philippine Islands, Vietnam, New Guinea, in Canada. We also have quite—we are working quite a number of tribes in the United States and Alaska.

Senator GRUENING. You say you are working tribes in Alaska?

Dr. TOWNSEND. Yes, sir.

Senator GRUENING. Which ones?

Dr. TOWNSEND. We have one couple on the St. Lawrence Island, studying the Indian language there. I guess it is a dialect of Eskimo, is it not?

Senator GRUENING. It is Eskimo, yes, sir. What do they do up there? They are just studying the language?

Dr. TOWNSEND. Yes, sir, they are just starting. We have been in Alaska about a year and a half. We have established a training post. We have for our workers in South America a jungle training post in southern Mexico. But of course the problems of Alaska—and later we hope to get over to Siberia, to study the languages of Siberia. And so we are training our workers in Alaska how to live in the snow and ice.

Senator GRUENING. Well, whom does it benefit when you study Eskimo languages in the St. Lawrence Island?

Dr. TOWNSEND. We teach the people to read.

Senator GRUENING. Whom do you teach to read?

Dr. TOWNSEND. The people who speak the Eskimo language there.

Senator GRUENING. You mean the natives on St. Lawrence Island—you teach them?

Dr. TOWNSEND. We have not gotten far enough along yet. But that is what we plan to do.

Senator GRUENING. But we have two schools there for that purpose, financed by the Federal Government.

Dr. TOWNSEND. The same holds true in Arizona, Senator. The Navahos have many schools. But we have developed a system of teaching the Navahos to read in their own language, and then make the transfer to English much more rapidly than just to disregard the Indian's own language and barge in on English. And so we are co-operating with the Government schools. It is purely a program of cooperation with Government schools, Government agencies, and is highly appreciated in all these areas.

Senator GRUENING. Do these people of yours on St. Lawrence island collaborate with the Bureau of Indian Affairs, which is in charge of the schools?

Dr. TOWNSEND. Certainly, that is our basic program of cooperation.

Senator GRUENING. You mean they supply an educational ingredient which the Federal Government does not supply?

Dr. TOWNSEND. We help in any way the Federal Government wishes us to help. Now, among the Navahos, the Federal Government sent a linguist, and he did a good job, to analyze the language and prepare an alphabet which would prepare the Indian to learn to read in English. And the missionaries did not get very enthusiastic about it. But our experts went in and served to help to convince the missionaries that it was the wise alphabet, and so that alphabet prevails today. And I believe that we had quite a service in helping put across the Government alphabet for the Navaho Indians.

Senator GRUENING. Could you furnish for the record the names of the people that you have on St. Lawrence Island? I am very curious as to the character of the work up there.

Dr. TOWNSEND. They are Mr. and Mrs.—they are of Russian background, from southern California. I am sorry I cannot give you the name right now. But I will secure it.

Senator GRUENING. Will you supply it for the record?

Dr. TOWNSEND. Yes, sir.

Senator GRUENING. Those are your only representatives in Alaska?

Dr. TOWNSEND. We have four other teams, working in four other languages.

Senator GRUENING. In Alaska?

Dr. TOWNSEND. In Alaska.

Senator GRUENING. What are the other languages that they are working on?

Dr. TOWNSEND. That I cannot tell you. I live in South America almost all the time I can. We have a director in Alaska.

Senator GRUENING. Well, I wonder whether you would supply for the record a list of the teams and where they are working, in Alaska.

Dr. TOWNSEND. Yes, sir. And would you care for information about our camp where we train them how to live in the snow and ice?

Senator GRUENING. I would appreciate all the information on the subject you can give me.

(The information referred to follows:)

SUMMER INSTITUTE OF LINGUISTICS, INC.,
Glendale, Calif, August 8, 1959.

Hon. ERNEST GRUENING,
U.S. Senate, Washington, D.C.

DEAR SENATOR: Your letter of August 3d was a very pleasant surprise to me, though I deeply regret that it was necessary for you to write for information that I should have supplied last winter. Our linguistic research in Alaska is so new that our general director, W. Cameron Townsend, did not have readily available the statistical data you asked for.

Our linguistic investigation officially began last October when 18 trainees, including the director and his wife, began an intensive course in Arctic survival which we called Arctic Camp. They were housed along the river at Nenana in the seven Army prefabs belonging to the Yutana Barge Co. During the mornings the trainees studied the survival manuals and in the afternoons put theory to practice in activities which included fishing through the ice in the Nenana River, dog-sled operation, construction of snow shoes, etc., overnight treks along with daily linguistic practices with the natives of the village.

After breakup seven couples went out to points indicated on the enclosed map; namely, Angoon, Tetlin, Kokrines, Arctic Village, Gambell, Kotzebue, and Wainright. We also have a team ready to do linguistic research with the Aleuts and another couple who will soon be ready to begin field work with the

Eskimo dialect spoken at the mouth of the Yukon River. We ultimately want to study all of the native dialects of Alaska; however, the extent of our work with any given dialect will depend upon how much the idiom is used.

The Summer Institute of Linguistics is a service organization and seeks to serve the tribal peoples in cooperation with the Government in any way possible. By way of service we have already made a start. Our men recorded eight 35-page word lists for all eight of the Athapaskan dialects of interior Alaska: Ingalik, Tananina, Ahtena, Tanana, Han, Kuchin, Lowe, and Tena. Prof. Harry Hoijer, of UCLA, Athapaskan scholar, will use this material in a volume he is editing called, "Athapaskan Studies." This material will be the outstanding work on Athapaskan comparative linguistics. Miss Shirley Gerbaulet, of our organization, wrote a 161-page paper for Dr. Skarland in graduate school of the University of Alaska on the Indians of that State. We are loaning you a copy of this work. Miss Gerbaulet made only three copies, not realizing that there would be such demand for it. Do you think it would be worth publishing, and if so, have you a suggestion for a publisher? Recently we were happy to supply the language development program of our government with data on the dialects of Alaska. In the villages our people have already found ways of helping the natives.

Alaska, being an important link in linguistic migration, is a training ground for research in other areas of the world. After our people analyze the language and publish the material in technical linguistic journals, we translate a portion of the Scriptures into the language. This aspect of our work is known as the Wycliffe Bible Translators, Inc. Most of the natives of Alaska are bilingual and rapidly becoming monolingual in English but we do not want to study all the languages and in some cases translate a portion of the Bible for them. You may have read about the work with South American tribes in such magazines as Time, Life, Reader's Digest, etc. The transformation of hostile tribes as the translated Scriptures become part of them is attracting worldwide attention.

We need a base of operations with a good airstrip to use for 15 or 20 years. Our Alaska field administrator, George Fletcher, has called my attention to several possibilities. Through personnel of the FAA station located outside of Nenana he learned about the possible closing down of the station in 1961. The personnel based their opinions on recent blueprints of the area. Nenana is ideally located in the center of Alaska. I believe Mr. Elwood R. Quesada is the Administrator of FAA in Washington. We would appreciate greatly any assistance you could give us in securing this property if and when it becomes available.

Mr. Fletcher also informs me that he has noticed a number of abandoned quonset huts which were formerly antiaircraft sites. One such site is located at Mile 6 on the Richardson Highway; another on the Chena Hot Springs Road. We have not looked extensively into such surplus but if available, these would go a long way toward meeting our needs. Any information or assistance you might be able to give us would be greatly appreciated.

Alaska has a great history but even a greater future and we are happy to be a part of this great advance. Your duties and responsibilities are heavy and we count it a privilege to serve you in any way possible.

Sincerely yours,

*Director, North American Branch,
Summer Institute of Linguistics.*

Dr. TOWNSEND. Thank you.

Senator GRUENING. Thank you very much.

We have Mr. Joseph P. Josephson here, on the subject of a bill to turn over surplus property to the State of Alaska.

Mr. Josephson, will you come forward?

Mr. JOSEPHSON. Thank you, Mr. Chairman. I have a statement which was prepared by Senator Bartlett.

Senator GRUENING. Would you be kind enough to read it?

Mr. JOSEPHSON. Yes, thank you. It reads as follows:

STATEMENT OF HON. E. L. BARTLETT, U.S. SENATOR FROM THE STATE OF ALASKA, PRESENTED BY JOSEPH P. JOSEPHSON, LEGISLATIVE ASSISTANT

"Mr. Chairman, I appreciate this opportunity to testify on behalf of S. 2442, which would permit the disposition of surplus personal property to the government of Alaska.

"S. 2442 is designed to extend the provisions of the act of August 24, 1954, as amended. It is not a new program, untried and untested. Instead, the act of August 24, 1954, proved over years of experience to be good for the United States and good for Alaska. And nothing has happened in Alaska that suggests this experience should be discarded or ignored. The Federal Government will find, just as it has found in the past, that the remoteness of Alaska, relative to the other States, makes costly and foolhardy, in many instances, attempts to return surplus personal property to other areas for disposition. Moreover, Mr. Chairman, the Federal Government will find, just as it has found in the past, that frequently there is no available market for such equipment in Alaska.

"The act of August 24, 1954, as amended by the act of August 1, 1956, was an expression by the Congress of its recognition of the features which marked—and still mark—Alaska's geographical situation and the grand efforts of her people toward a fuller life.

"By definition, the property which would be affected by S. 2442 is property that is unwanted by Federal agencies. As a condition precedent to the transfer of such property, it was required by the act of August 24, 1954, as amended, that the Governor of Alaska certify the property 'to be essential for the operations or activities' of the government of Alaska. Mr. Chairman, these same safeguards and criteria would be maintained if S. 2442 is enacted.

"In short, S. 2442 would extend a program whose wisdom has been tested and proved by experience. In the past this program has been administered to the satisfaction of the people of Alaska and in the enlightened self-interest of the Federal Government, without undue expense. We can look forward to continued good, economical administration of this program.

"Now, Mr. Chairman, it may be suggested that Alaska's admission to statehood is reason for inaction on S. 2442. Certainly that is the only possible rationale of those—if any there be—who would oppose S. 2442 even in the face of our good experience with the act of August 24, 1954, which S. 2442 would extend.

"In that connection, it is well to remember that Congress has recognized, as a matter both of tradition and commonsense, that varying conditions demand varying provisions of law. Congress has even created whole categories of States to distinguish them from sister States in the application of Federal programs.

"The relative remoteness from the other States, the size so disproportionate to any of the other 48, which mark Alaska, require continued recognition by Congress. Even within Alaska, and as a result of years of neglect, communities are isolated from each other in a way

unparalleled elsewhere in the United States. These communities cannot 'pool' their resources or equipment as communities may do in other States. The availability to them of the surplus property which would be affected by S. 2442 will be of substantial assistance in their movement toward progress. In these communities, it is usually impossible to lease heavy equipment, and essential projects must either be performed with surplus property, or left undone.

"Congress has taken intelligent action to assist Alaska's transitional phase. Public Law 86-70 is one of the measures passed recently as a transitional measure which recognized Alaska's problems. One of the provisions of Public Law 86-70 was that property used in connection with Federal programs in Alaska, which the Federal Government terminates and which the State government assumes, may be transferred to the State of Alaska. It is interesting to note, first, that this provision for the disposition of unneeded Federal property to the State of Alaska, expressed the awareness of this Congress that Alaska has special transitional, geographical, and other problems. It is also noteworthy, in the second place, that the explanation of this provision in the other body was largely in terms of economics, of savings which the Federal Government will realize by being able to put such property into the hands of State agencies which can use the property, and by being able to bypass costly shipments of surplus property out of Alaska.

"These economic justifications apply just as strongly to property which has been used by Federal agencies in Alaska, which is surplus to the needs of all Federal agencies, which is needed by the Government of Alaska and will be used by the Government of Alaska in connection with functions not limited to functions terminated by the United States.

"In my judgment, passage of S. 2442 would be a commonsense application of previous congressional policy and is fully merited by the tests of the National and State interest."

That is the conclusion of Senator Bartlett's statement, Senator.

SENATOR GRUENING. Thank you very much. That was an excellent statement.

I would like to ask one or two questions.

This legislation, introduced by Senator Bartlett and myself, is merely an extension of the law which expired a few months ago, is it not?

MR. JOSEPHSON. That is correct.

SENATOR GRUENING. It has already been acted upon on a previous occasion by the Congress.

MR. JOSEPHSON. That is right.

SENATOR GRUENING. It introduces nothing new. It merely takes up where the previous bill leaves off.

MR. JOSEPHSON. It is an extension of an old principle, Senator.

SENATOR GRUENING. From your familiarity with Alaska, do you not think that the distance and the high cost of transportation would have a certain bearing on this legislation?

Mr. JOSEPHSON. Senator Gruening, not only do I think so, but apparently Congress, in enacting Public Law 86-70, thought so. And if I may interpolate just this—it seems to me that the economic justifications for that provision to which Senator Bartlett referred in his statement on this bill, regarding the transfer of property pursuant to what is known as the Alaska Omnibus Act, are just as pertinent here. There is something very esthetic about the idea of a Federal Government terminating a function and a State government assuming that function, and taking the property which the Federal Government no longer needs.

But apart from esthetics, it is just as practical in economics to have that property which the Federal Government no longer needs and which was used in connection with a function which the State government cannot assume, but is property which the State needs for other purposes, to be transferred in a similar manner.

And so I think that we not only have the precedent of this program which would be extended by the passage of S. 2442, but we have recognition by Congress at this session that there are these economic factors which justify this program in Alaska.

I was very interested to hear the gentleman from Texas, Mr. Barry, say that on the national basis over 93 percent of the surplus property comes from military activity. And I don't know whether that 93 percent would be accurate in Alaska, but it is clear that there is a substantial amount of property involved, and that if Congress has found that the economics justify this in regard to nonmilitary property, for example, then the economics would seem to justify it for the property which S. 2442 would affect.

Senator GRUENING. Thank you very much.

I would like to ask Mr. Barry a question.

Does this legislation come under the category of the other which you quoted?

Mr. BARRY. I had not thought about it.

Senator GRUENING. Well, this is a bill which creates a situation similar to that you have in Texas. In other words, it provides that the Federal Government should turn over surplus property to the State of Alaska.

Mr. BARRY. You mean like the tidelands situation?

Senator GRUENING. No.

Mr. BARRY. I do know the State agencies along the west coast recently had a meeting in Seattle with the idea of seeing whether or not it would be feasible to bring some of that surplus to Seattle. And I was informed that they thought it would be economical, in some cases. And they are kind of licking their chops.

Senator GRUENING. I think that the people of Alaska with a unanimous voice, would dissent from that view.

Mr. BARRY. Well, I have no intention of invading Alaska myself. I wouldn't risk it.

Senator GRUENING. Thank you very much, Mr. Barry.

Mr. Moot, would you come forward, please?

STATEMENT OF ROBERT C. MOOT, STAFF DIRECTOR, MATERIAL AND MANAGEMENT DIVISION, SUPPLY AND LOGISTICS, DEPARTMENT OF DEFENSE; ACCCOMPANIED BY LT. COL. JOHN F. REY, CHIEF, SURPLUS AND DISPOSAL BRANCH, DEPARTMENT OF DEFENSE

Mr. Moot. Good morning, Mr. Chairman.

Senator GRUENING. Do you know how much surplus property was disposed of by the Department of Defense in Alaska during, say, the last fiscal year?

Mr. Moot. Yes, sir, I have those figures. Our latest figures for the fiscal year 1959 are not completely available. The complete figures for fiscal year 1958, Mr. Chairman, we disposed of surplus property, in terms of sales of usable property, amounting to \$15,072,000 in Alaska. To the best of our knowledge, the level has continued at about that pace, so I would expect fiscal year 1959 would be comparable.

Senator GRUENING. Was any property sold in Alaska during the last fiscal year that you have the figures for which would have been donable under section 203(j) of the Federal and Administrative Services Act?

Mr. Moot. I think there is no question that the answer to that would be affirmative. There would have to be such property.

Senator GRUENING. Would you have the figures as to the amount of proceeds realized from the sale of surplus property which could have been used for health, education, and civil defense purposes?

Mr. Moot. I do not have, sir. But if our rate of return in Alaska is comparable, and it may be a little less, due to the transportation difficulties of transporting it back for resale in the case of surplus dealer purchase, if the return is at all comparable, it would approximate three-quarters of a million dollars.

Senator GRUENING. The amounts sold which could have been used for education and public health and civil defense, how much of that was scrap? Was much of it scrap?

Mr. Moot. Well, the \$15 million would have been all sales as usable property. There would be additional amounts over and above this in the form of scrap. I do not have with me, but I could insert for the record, the amount of scrap.

Senator GRUENING. I wish you would. That would be a useful figure. We would like to know, for instance, how much was salvage and how much was usable as sold.

Mr. Moot. I will be happy to insert those figures, sir.

Senator GRUENING. I think that is all we have for you, Mr. Moot.

(The information referred to is as follows:)

ALASKA DISPOSAL DATA, FISCAL YEAR 1958

Sales of usable property (acquisition cost) -----	\$15,072,000
Sales of scrap (approximate acquisition cost) -----	18,100,000
Donations under Public Law 152 (acquisition cost) -----	393,827

Total surplus disposal-----	33,565,827
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Receipts:

Proceeds from sale of usable property (approximately) -----	750,000
Proceeds from sale of scrap-----	271,471

Total-----	1,021,471
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Senator GRUENING. Mr. Gray, would you come forward, please?

STATEMENT OF J. WENDELL GRAY, CHIEF, DIVISION OF SURPLUS PROPERTY UTILIZATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Senator GRUENING. Mr. Gray, have items of surplus property, which are usable for education, health, and civil defense services, been sold to surplus property dealers, other persons, or have they gone to agencies?

Mr. GRAY. Well, Senator, I am not sure that I would be able to speak factually on that. I can only point out that Alaska does have a State agency for surplus property which distributes property to the eligible institutions under Public Law 152.

I was just noticing here from our reports that in fiscal year 1958 they distributed personal property with an acquisition cost of \$394,019. In other words, we have a functioning surplus property program in Alaska. And they are entitled to screen and select and distribute this property to the extent that they have need for it, and I assume that they have been doing so.

Senator GRUENING. Well, would you say that all the surplus property which could be used for health, education, and civil defense has been selected for donation for those purposes, not necessarily in Alaska, but anywhere?

Mr. GRAY. We doubt that that would be true. As a matter of fact, we have not had good information on that. We had a representative from our San Francisco regional office visit the territory a short time ago, and he found considerable amounts of property that were not being utilized. The problem, in his mind, was the one that has been noted earlier here—would be it be feasible to return any of that property to the United States for health—

Senator GRUENING. You mean to the 48 smaller States, don't you?

Mr. GRAY. Yes.

Senator GRUENING. We are part of the United States.

Mr. GRAY. Yes, correct. As a matter of fact, a representative is going up there shortly to again look at this property, to consult with the transportation companies, and to determine whether it would be at all feasible to move any of this property to other States, or whether the costs of moving it would be prohibitive.

Senator GRUENING. Well, I think the investigation might be useful, but quite unnecessary. We can answer that question for you without any difficulty. Having lived with the highest transportation costs, not only under the flag, but anywhere on earth, we know it would be very expensive.

Mr. GRAY. Surely.

Senator GRUENING. Have there been any cases in which surplus property which is usable for the purposes for which it may be donated has not been selected for donation and thus left available for sale rather than donation?

Mr. GRAY. Well, I think I have already answered that, actually. Our representative did find a good deal of property up there that, were it located elsewhere, could have gone into the donation program, yes, sir.

Senator GRUENING. Have you any experience with the action of Federal and State officials in getting rid of this property properly? Do you check on that at all?

Mr. GRAY. In the donation program?

Senator GRUENING. Yes.

Mr. GRAY. Yes, sir. We check on it quite closely.

Senator GRUENING. Do you find it uniformly satisfactory?

Mr. GRAY. I would say the situation today is quite satisfactory in the health and education side of it, for which we have the responsibility. We do, as in any program, find violations. We find property getting into the hands of ineligible groups. But we try very hard to police it. And I might say that we have had very good co-operation from the State agencies in that respect.

Senator GRUENING. Well, when you find that there has been improper use of surplus property, what action do you take?

Mr. GRAY. Well, first, recover the property, and put it to eligible use. If the property is not recoverable, then to collect the fair value of the property at the time it was acquired and return the receipts to the Federal Treasury.

Senator GRUENING. Has that procedure been actually tried out?

Mr. GRAY. Yes, sir, it has been done in many, many cases. We have even gone further than that, as a matter of fact. Where property has been diverted to use for private profit, we have collected and returned to the Treasury the fair rental value for the use of that property, as well as recovering the property.

Senator GRUENING. Have there been any cases of criminal procedure?

Mr. GRAY. Yes, there have been, sir.

Senator GRUENING. Successfully prosecuted?

Mr. GRAY. Yes, sir.

Senator GRUENING. Is the present staff available to your Department for administering the property program sufficient and adequate to insure the effectiveness of the program?

Mr. GRAY. Well, that would be a matter of opinion. Certainly in a program such as this, you are inclined to have the feeling that if you had more staff, you could do a better job. But that would be a very difficult—

Senator GRUENING. But the Department has made no such requests of the Budget.

Mr. GRAY. Not at the present time. In our budget this year, the increase was very nominal and mainly sufficient to sustain our present staff.

Senator GRUENING. The Department considers the staff satisfactory in size.

Mr. GRAY. For the moment, and in the preparation of our budget requests for the present fiscal year, that was true. However, I must point out that this is a rapidly growing program, and we may at a future date be asking for additional staff. That is a determination that has not been made yet for the next fiscal year.

Senator GRUENING. Do you find, as you go along with this program, that you have reason to modify your procedures in the light of experience?

Mr. GRAY. Yes, we do. I might point out that there is action under consideration now, not just by our Division, but by all of the folks concerned with the disposal of Federal excess property, to modify all of the procedures in a way that it is hoped will speed up the total disposal program and make it more effective.

Senator GRUENING. You listened to these hearings, did you not?

Mr. GRAY. Yes, sir.

Senator GRUENING. Do you see any ways in which your procedures might be modified, administratively, in view of some of the testimony that you have heard, to extend the spirit of the present legislation, perhaps?

Mr. GRAY. Frankly, sir, I do not. We are limited, or I am limited, as the chief of the program, by the determinations of our counsel. They interpret the law for me, and they tell me how far I can extend my interpretations and how far I cannot.

I have tried to administer the program liberally, but I must depend on what my counsel tell me they believe to be the intent of the law.

Senator GRUENING. Do you object to the enactment of S. 2442, to extend the previous Surplus Property Act that was available to Alaska?

Mr. GRAY. Well, I want to state at this point that in my statement yesterday, I hope it was perfectly clear that I said that we were opposing all of the bills which would extend eligibility under the program which we administer.

We in actuality have not, the Secretary has not, commented on this particular bill, up to this point. And so we are not on record either for or against it at the moment.

Senator GRUENING. Thank you very much, Mr. Gray.

I would like to ask Mr. Davis and Mr. Garvey to come forward, please.

What is the General Services Administration's attitude toward S. 2442?

**STATEMENT OF JAMES A. GARVEY, ASSISTANT COMMISSIONER,
UTILIZATION AND SALES, FEDERAL SUPPLY SERVICE, GENERAL
SERVICES ADMINISTRATION; ACCCOMPANIED BY ROBERT T.
DAVIS, LEGISLATIVE LIAISON OFFICE**

Mr. GARVEY. Mr. Chairman, like the Department of Health, Education, and Welfare, the General Services Administration has not been asked to comment formally on the bill. So for the purposes of being able to give you a picture of our position, I went back to the action taken by GSA in connection with H.R. 13070, which had a similar objective with respect to the Alaskan surplus situation.

On the basis of the position taken with respect to that particular piece of legislation, I would have to say that the General Services Administration is opposed to the enactment of S. 2442.

Senator GRUENING. You were opposed to the enactment of the bill when it was applied to the Territory?

Mr. GARVEY. No, sir. H.R. 13070 would have applied to Alaska in statehood status.

Senator GRUENING. You mean that is the House bill?

Mr. GARVEY. Yes, sir.

Senator GRUENING. Which is a corresponding bill to this one?

Mr. GARVEY. It is a predecessor of this particular piece of legislation.

Senator GRUENING. Well, the record does not indicate that when this legislation was enacted originally that the GSA opposed it.

Mr. GARVEY. Are you speaking, sir, of the original enactment of the legislation which at that time related to Alaska as a Territory?

Senator GRUENING. Yes.

Mr. GARVEY. That is correct. Our opposition to H.R. 13070 stemmed from the subsequent assumption of statehood by Alaska. That bill was directed toward Alaska as a State, and not as a Territory.

Senator GRUENING. Well, why do you think it makes any difference in the matter of surplus property?

Mr. GARVEY. Well, the position which GSA took on H.R. 13070 had several particular points that I would like to refer to, sir, if I may.

Senator GRUENING. Yes.

Mr. GARVEY. The first was that the Administrator felt that Alaska as a State, if singled out for special preferential treatment, would open the door for further preferential treatment in this same area. He felt also that this might be to the detriment of the acknowledged needs of education, public health, and civil defense in the State of Alaska.

Secondly, GSA believed that the program as contemplated by that legislation would lack the beneficial surveillance of the Department of Health, Education, and Welfare in the administration of its programs for education, public health, and civil defense, and that, in fact, two separate programs in the handling of surplus property in Alaska might well be generated by enactment of such legislation.

I would like to speak, sir, for just a moment, to our belief that the Federal Property and Administrative Services Act of 1949, as

amended, offers a suitable program for the use of surplus personal property in the State of Alaska.

Our information indicates that the State currently has a State agency for surplus property. That agency, however, at this particular time, has not extended its interests to the extent offered it under the Federal Property and Administrative Services Act.

We believe that an aggressive program for the use of surplus property for purposes of education, public health, and civil defense would mean that the donation program in Alaska would increase immeasurably over that which has been described to you in previous testimony.

You have also heard that the movement of Alaskan generated surplus property stateside for donation is being considered. I have no personal experience in Alaska. I do have some with faraway places. And I know the difficulty of transportation and the excessive cost of handling property under difficult conditions. Before I came into the hearing room this morning I met with Mr. Wendell Gray, of the Department of Health, Education, and Welfare, to clarify my thinking on one point, and that was that should Alaska need this property for its authorized donable purposes, there would be no intent on the part of HEW, nor in GSA certainly, to ship such property to the mainland for use on the west coast.

So, in addition to facing the prospect of costly transfer, we also must face up to this situation, that with aggressive donable programs in Alaska, the property needed in Alaska, by its eligible donees, will go to those donees as the first course of action.

Now, also, under the Federal Property and Administrative Services Act of 1949, Alaska is entitled to receive property for other programs which claim available property while it is in excess status—that is before it becomes in fact surplus to Government needs. I am speaking here of the fact that we have, in most of the States, a program through the Bureau of Public Roads for assistance to State Roads Commissions. We have a program through the Department of Agriculture for assistance to State Forest Service organizations and to soil conservation services districts.

In all of these programs, which are provided for under current legislation, there is ample room for Alaska to ultimately benefit from the receipt of excess Federal property, and she has both the prospect and, apparently, from Mr. Moot's earlier testimony, the property there as well.

Our feeling is, therefore, that the current legislation properly interpreted and aggressively applied, will make much property available to Alaska.

I would like to say that in our discussion of this matter this morning, we understand the objective behind S. 2442 and we are most sympathetic with the importance of this property to Alaska in its current state of development. We do believe, however, that the need for preferential treatment, with its complications, is not fully required in view of the flexibility and the possibilities under current law.

And so we would like to suggest that consideration be given to that particular aspect of the problem.

Now, we conclude that property which is available for sale in Alaska, after all Federal and donable needs have been met, will prob-

ably, because of transportation and other costs, be sold there. It would occur to me, without having any specific facts to substantiate it, that the mass transportation of surplus property from Alaska to mainland ports for sale would be uneconomic in view of our prior experience as to the extent of returns from the sale of surplus property. The expense would exceed the return.

So I think we can reasonably conclude that this property will find its way into Alaskan markets and do its share in strengthening the economy of Alaska.

Senator GRUENING. Of course, the purpose of this legislation is not to create a special category for the 49th State, but it is in conformity with the physical facts, that we have no highways in Alaska to speak of; that the only highway connecting the States with Alaska is 2,500 miles of unpaved road; that transportation to the ports is costly in Alaska from where the surplus property may be found, the high cost of handling on the docks, high cost of shipment; then again the cost when you get to the 48 States.

So that a realistic appraisal of the situation, I think, would inevitably lead to the conclusion that the cost of transporting this surplus property outside of Alaska for purposes there would be prohibitive.

That might be considered a statement of opinion, but I think it is a statement that very few people would dissent from.

Have you any specific figures as to the amounts of surplus property that have been generated in Alaska and donated there?

Mr. GARVEY. I have no figures, sir, about the generation of property in Alaska. You have some figures about the sales from Mr. Moot. I have no figures on excess generated. I do have some figures about the distribution and use of property acquired by the territorial government under the provisions of Public Law 659-904. We have information that for three particular years—1955, 1956, 1957—there was an appreciable increase from approximately \$300,000 in 1954-55 to slightly more than \$900,000 in 1957. But as you can probably appreciate, these figures are small by comparison with the property available that you heard of, and small probably by comparison with the need for presently authorized purposes.

For educational purposes, for example, in 1957, there was only a relatively small amount of property distributed for use, and here is an authorized program for which much property might have properly been made available.

Senator GRUENING. Has the General Services Administration any programs which would help highway construction?

Mr. GARVEY. Sir, the Bureau of Public Roads has that responsibility and has extensive authority in its appropriation act to acquire that property which the Government has in excess status for distribution or sale to State activities engaged in roads work connected with the Federal highway programs. We simply transfer the property to the Bureau of Public Roads. They do the remainder of the work with regard to the State. Our job is finished when we make the transfer.

Senator GRUENING. Thank you very much.

We have one witness who was not scheduled, but we would like to hear from him. That is Mr. Mullins, representing the Bureau of the Budget.

Mr. MULLINS, have you a list of the bills which are under consideration here?

STATEMENT OF GEORGE MULLINS, CHIEF, PROPERTY AND SYSTEMS MANAGEMENT GROUP, BUREAU OF THE BUDGET

Mr. MULLINS. Yes, I do, Mr. Chairman.

Senator GRUENING. Have you any comment to make on them individually, or collectively?

Mr. MULLINS. I think I might have.

We have submitted reports on quite a number of these bills, and in general our reports are quite similar to those which have been submitted by the General Services Administration and the Department of Health, Education, and Welfare.

We have, for the past several years, opposed the expansion of the donation program to include the very extensive variety of purposes that have been considered for inclusion in the program. We have been motivated primarily by the administrative effects which our experience has indicated would result if there was any great expansion in the program.

History has taught us some lessons which have indicated, not only to the executive branch, but to the Congress as well, that too broad a donation program can slow down and make more expensive the total job of disposing of the Government's surplus property, which, of course, is many times greater than the amount which could feasibly be donated.

Aside from that, I believe the points that I would make have been very well summarized in the paper which Mr. Shriver, of your staff, has prepared. The last page of his paper I would consider to be an excellent summarization of the position that we have taken over the past several years.

Senator GRUENING. Senate bill 155, introduced by Senators Kerr and Monroney, to permit donations of surplus property to libraries, public libraries—school libraries now receive those donations. Do you think that is an extension that would greatly contravene the general principle that you express?

Mr. MULLINS. I believe that we would consider the library claim to be the most borderline one of the entire group. We have discussed this issue within our own family. As has been pointed out, donations of real property may be made to libraries because of the slight difference in the statutory language in section 203(k) of the act as compared to the language that governs personal property, 203(j) of the act.

We have concluded to agree with the position which has been taken by the Department of Health, Education, and Welfare. The issue is: Shall we interpret a public library, that is not directly connected with an educational organization, to be an educational organization? We have felt that it is wrong to consider any one of these claims by itself. It needs to be considered in the whole group of all of the possible claimants that might come under the same kind of reasoning, so that an equitable answer could be given to all of them.

We understand the position taken by Health, Education, and Welfare to be that if there were to be a change made here it would be difficult to find a logical place to stop with respect to the many other kinds of organizations which can legitimately claim to have some elements of educational value in their program.

Of course, I am sure you realize, there are not very many institutions that cannot show that even though a major part of their purpose is not education—it may be recreation or social in its primary purpose—yet it has some elements of education and training value in it.

Senator GRUENING. Well, don't you think there is a distinction between extending aid to an activity which is already included in your program, namely, school libraries, to other libraries, as, say, contrasted to going out and giving it to firefighting organizations, or some entirely different category? I would wonder whether the Department of Health, Education, and Welfare could not administratively make that interpretation, without the need of legislation, if it saw fit to do so. Apparently it has not done so.

Mr. MULLINS. Well, my personal view is that the ruling which the Department of Health, Education, and Welfare reached in the correct ruling under the present language in the statute. The statute is pretty definite, in naming exactly what institutions shall be eligible to receive personal property for educational purposes, and it does not include libraries. So I believe under the present wording of the statute, that the Department has been correct in its ruling.

But, as I understand it, the primary issue here is not the interpretation of the present wording but whether that wording should be changed.

Senator GRUENING. Well, if you are correct in your view, it may well be under the present act that there is a limitation against public libraries. Will you not agree that that extension to public libraries by legislation does not quite fall into the category of the other bills that seek to extend donability to entirely different agencies that are clearly outside the field of education, health, and civil defense?

Mr. MULLINS. I would say that, not only myself, but others in my agency, feel that this is the most doubtful of the bills. In other words, we are quite definite in our feelings about most of these other bills. This one we regard as a borderline situation.

Senator GRUENING. Very good.

What are your views on S. 2442, which provides for the disposition of surplus personal property to the government of Alaska?

Mr. MULLINS. I think I should say at the outset that the Bureau of the Budget, along with the Department of Interior, and some other agencies, favored the passage of the original legislation, which this bill merely would extend timewise indefinitely.

We were partly motivated in the position we took by the fact that so very much of the territorial government was, you might say, under very substantial Federal influences.

We favored one extension of that legislation, more or less on the same basis, even though we did consider some of the other effects that it would have.

When Alaska became a State, we reexamined the position that we should take—we asked ourselves, Does the fact that Alaska now, as a State, make any difference in this regard? And we felt that it did make some difference.

The effect of the bill, as we understand it, would place the State of Alaska in a position different from that of other States in that while Alaska and all other States are eligible to receive donations of property for health, education, and civil-defense purposes, this legis-

lation permits Alaska to receive donations for practically any public purpose.

The rationale for making a distinction in the case of Alaska has been mentioned—the distance, the cost of transportation, and the fact that there would not be a very good market for some of this property locally.

In the first place, we have not had any complete information to show how bad the market is in Alaska. We have evidence of one sale which indicated that the prices in Alaska were quite encouraging, quite comparable with many of the returns that we have obtained on surplus property in this country. Even though the prices obtainable in Alaska might be generally lower than in this country, we are not certain that that is necessarily a valid argument for donations. All that would mean, so far as we could see, is that Alaska would be able to buy the property for less than other States would have to pay. In other words, Alaska would be in a favored position with respect to the local market whereas other States that would have to buy that same property for those same purposes would have to compete with a larger number of local dealers and a larger local market, and therefore might have to pay more.

It is not quite clear to us why the mere fact that the prices in Alaska are lower would justify singling out Alaska for special treatment.

Of course, the main question involved here is what do we say with respect to other States who may be isolated, such as Hawaii, and perhaps there are some others, even though they do not have quite the isolation that exists in Alaska—what arguments do we have if they come in and say, "We would like to have the same treatment."

I believe that is about the position that we have on this bill.

Senator GRUENING. I gather you do not object strenuously having sponsored the same legislation a few years ago, and finding that physical conditions, which are of considerable import and justified your attitude then, have not changed, except that the cost of transportation is steadily rising.

Mr. MULLINS. I think the cost of transportation is rising, not only in Alaska, but other parts of the country.

STATEMENT OF HON. ERNEST GRUENING, U.S. SENATOR FROM THE STATE OF ALASKA, ON S. 2442

Senator GRUENING. Thank you very much, Mr. Mullins. I would like to introduce at this time a personal statement on S. 2442.

The bill, S. 2442, which Senator Bartlett and I have introduced would be a reenactment of surplus property legislation designed to meet special needs of the Federal Government and Alaska which was first enacted in the 83d Congress, extended by the 84th Congress, and an extension of which passed the House in the 85th Congress. The law was not extended beyond the termination date of December 31, 1958, provided by the 84th Congress due to uncertainty regarding the status of Alaska prior to passage of the Statehood Act, and transitional legislation required in connection with the attainment of statehood.

During the 4 years and 4 months the program was in effect it proved to be most beneficial to the then territorial government, and, also, provided an efficient and sensible procedure for the disposition of surplus personal property generated in Alaska by various Federal agencies.

According to information received from State surplus property officers in Alaska, some \$1,200,000 worth of property becomes surplus to the needs of Federal Government operations in Alaska every month. This surplus includes such items as building materials, tools, vehicles, and heavy duty equipment, all of which is usable by municipalities for public works and other projects not now eligible for the use of donable property under restrictive provisions of the present law. There are many other uses to which this property could be put in addition to the categories of education, public health, and civil defense now included.

As was pointed out in the report of the House Interior and Insular Affairs Committee on H.R. 13070, which passed the House in the 85th Congress, this is property which generally cannot be sold for prices commensurate with its value due to lack of markets in the State of Alaska. The geographical fact of its location in our State also makes it virtually impossible for surplus property agencies of other States to select it for such needs as they may have and for which they may be eligible for donation under the present law.

Thus, property located in Alaska which is surplus to the needs of the Federal Government and which is not selected for donation to other States is available for sale. As noted above, there is very little market for such secondhand material in Alaska at prices which would justify the administrative processes necessary to advertise for bids for its sale or to negotiate such sales where disposal on such a basis is allowed.

Property which is not sold in Alaska must, then, either be abandoned or transported elsewhere for sale. The high costs of transportation, in addition to other high costs of care, handling, and administration of this property make it impractical to transport it outside the State for sale elsewhere.

This bill would, then, provide Federal agencies with the authority they need to make the only sensible disposition of the property which they no longer need. It would permit the transfer of it to the State of Alaska for such use as the State may have for it.

That it would be of value to the State is shown by communications which have been received from the State. I would, at this point, like to insert in the record of this hearing telegrams which I have received from Governor Egan of Alaska, Mr. Tony Schwamm, aviation consultant of Alaska, and from Dr. John Dunstan, manager of the Spenard Public Utility District.

(The communications referred to follow:)

JUNEAU, ALASKA, July 30, 1959.

Hon. ERNEST GRUENING,
New Senate Office Building, Washington, D.C.:

Reurtel below from Guertin charged with surplus property responsibility for State. "Federal surplus property becomes available in Alaska in estimated average amount of \$1,200,000 per month in types ranging from school supplies to building materials and tools to vehicles and heavy duty equipment and spare parts all usable by State agencies and municipalities not now eligible. Departments of Public Works, Fish and Game, and others could effect great savings and advance their programs through use of surplus properties carefully screened as needed. Property acquired under Public Law 152 from January 1 through

June 30 by Alaska surplus property service cost Federal Government approximately \$820,000 to acquire." Dollar value spread between this 6 months figure and \$1,200,000 above mentioned shows extent of program's possibilities if legislation enacted to enlarge. Likewise shows how little now being obtained. Small municipalities particularly benefited by former eligibility for surplus property and enabled to obtain goods otherwise beyond their means. Situation unique in Alaska account cost of return shipment of Federal surplus property to other States oftentimes exceeding value, or money return to Government, while depriving localities wherein property found surplus of use of such goods. By same token Alaska cannot participate realistically in sales held elsewhere.

WILLIAM A. EGAN, *Governor.*

ANCHORAGE, ALASKA, June 18, 1959.

Hon. ERNEST GRUENING,
U.S. Senate, Washington, D.C.:

The board of directors of the Spenard Public Utilities District has seen your recent telegram to Tony Schwamm regarding amendment to existing surplus property disposal laws. The board of directors urgently requests that any amendment include provision to make surplus Federal property available to municipal agencies within the State of Alaska to assist in solving the great problems which hold up road and street building in Alaska. Help in constructing needed rights-of-way will contribute greatly to the growth of the area in aiding health agencies, educational institutions, civil defense, the patronage of libraries, and agencies engaged in agricultural extension work, welfare agencies, recreation agencies and in the lifesaving and property saving efforts of local volunteer fire departments.

JOHN DUNSTAN,
Manager, Spenard Public Utility District.

ANCHORAGE, ALASKA, June 9, 1959.

Hon. ERNEST GRUENING,
Senate Office Building, Washington, D.C.:

Careful investigation shows Alaska communities progressed most during the period that these areas were able to obtain surplus Federal property and many such communities had only begun to acquire surplus property when the act was abolished much to the distress of towns and villages that were unable to obtain such property due to transportation difficulties. In the field of aviation here the State will be operating nineteen more airports basically used by the military and the State must provide adequate equipment to maintain these airports as well as those already constructed under Federal air program in a good safe usable manner which is a tremendous task. Airport access roads must also be maintained as well as isolated village streets and roads to provide primary cleanliness for health problems. I cannot urge too strongly the need for expanding the scope of the surplus disposal act to allow the new State and its communities to help themselves by acquiring surplus Federal property as without this means hand labor will still be in order and progress geared to that speed. The Commissioner of Public Works joins me in requesting additional agencies be allowed to obtain surplus property as a means of rapid growth for our fast growing State.

It would be absolutely impossible for communities to obtain the various types of construction and maintenance machinery without this assistance from the Federal Government. Most communities could not even pay the high cost of the freight from the States on such machinery as \$5,000 is the normal dockside freight charges.

I strongly urge the Surplus Property Act be expanded to cities, towns, villages, and State government as quickly as possible.

TONY SCHWAMM,
Aviation Consultant, State of Alaska.

Senator GRUENING. I have a statement from Senator Barry Goldwater on S. 2244, and also a statement from Senator Hubert Humphrey on his bill S. 1210. Both statements will be incorporated into the record at this point.

**STATEMENT OF HON. BARRY GOLDWATER, U.S. SENATOR FROM
THE STATE OF ARIZONA, ON S. 2244**

Senator GOLDWATER. This bill would, as its title states, promote the welfare of the American Indian tribes by making available to them surplus personal property.

All of us know that population on Indian reservations is increasing. On some reservations, the available resources won't support this expanding population. On others there is a need to supplement farm equipment in cases where Indians are unable to obtain it by other means. There is hardship on the reservations in wintertime, especially on the reservations in the Northern States. In the blizzard areas, winter needs of the Indians constitute a staggering problem.

As we are all aware, various agencies of the Federal Government from time to time declare items surplus to their needs and permit them to be disposed of to other organizations that need them. School districts, Boy Scout troops, military reservist armories, local and State park groups and civic organizations benefit from the program. I suggest that Indian tribes, bands and groups might well benefit from the same source. Certainly there are many instances when, if surplus farm tools, clothing and bedding were available, the Indians could have their inconvenience lessened.

I think it is a good idea to put surplus items to work on reservations. This is not simply a humanitarian gesture. There is a practical side to it. If we can find a method to make available to Indians farm machinery and earthmoving equipment and the like, we will be helping them to help themselves—and consequently we will remove some of the burden of assistance from Federal, State and local offices.

It is recognized that this bill might require other legislation to implement it, so that the best possible way—and that would mean the simplest way—could be found to handle the administrative details of transferring the surplus property into Indian hands.

Already we are moving surplus food items into reservations, and it is customary for the tribal organization, not the Bureau of Indian Affairs, to arrange for the distribution of the food to the families that need it. Perhaps a similar system could be set up to distribute these other items. We may have to call on the General Services Administration to suggest ways of making our goal a reality, since GSA has had so much experience in this particular field.

No matter what we must do at a later date, I submit that this bill gives a starting point and would open the door so we could get on with the job of helping Indians in a new way. I am sure of this: It does not make good sense to let surplus equipment gather dust in a warehouse when it could be used to help the Americans on Indian reservations find their rightful place in society.

**STATEMENT OF HON. HUBERT H. HUMPHREY, U.S. SENATOR FROM
THE STATE OF MINNESOTA**

Senator HUMPHREY. Mr. Chairman, I appreciate the opportunity to testify before this subcommittee on behalf of my bill, S. 1210, to permit donations of surplus Federal property to volunteer firefighting organizations.

This bill would amend the Federal Property and Administration Services Act of 1949. This act presently provides that personal property which becomes surplus to all Federal requirements may be donated without cost (except for costs of care and handling) for use in any State, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States for use for purposes of education, public health, or civil defense, or for research for any such purpose when the property is determined by proper authority to be useful and necessary for such purposes.

My bill would amend the present act so as to include volunteer fire-fighting organizations.

There are thousands of volunteer firefighting organizations throughout the land that are inadequately equipped for their responsibilities in protecting life and property. Tens of thousands of civic-minded individuals give unstintingly of their time, effort, and resources to maintain these units. Modern fire engines may cost from \$25,000 to \$30,000 or even more. Other types of needed equipment are also costly.

Except for such engines volunteer firefighting organizations' equipment needs are relatively small, consisting of such items as water tanks, pumps, firehose, tank truck, rope, axes, tarps, picks, shovels, lanterns, hooks, and, when a kitchen is maintained, items such as chinaware, knives, forks, spoons, and cooking utensils and sometimes stoves, etc. Witnesses have testified that much of the equipment is in Federal Government warehouses, unused and unwanted and sometimes it is sold as scrap. Also, that sales of this property are usually in larger lots than the volunteer firefighting organizations can afford to acquire and hence they must purchase at higher retail prices.

Testimony has also revealed that many items of surplus firefighting equipment are not utilized by the Federal agencies nor by the education, health, and civil defense agencies and hence are sold at small return to the Government and then offered for sale to firefighting organizations. It is my opinion that this property bought with public funds, if useful and needed, should be donated to such a high public purpose as protecting life and property by volunteer firefighting organizations.

This proposal, I might add, Mr. Chairman, passed the House of Representatives on August 12, 1958 (H.R. 13673). A similar bill has been offered in the House of Representatives by Mr. Fogarty (H.R. 3722) again this year, and it has been favorably reported by the Subcommittee on Donable Property to the full House Committee on Government Operations.

Mr. Chairman, it is my hope that this measure will be promptly considered and enacted into law.

Senator GRUENING. There are a number of other statements which will be included in the record. The record will be kept open for the receipt of other statements and for further hearing.

Is there anyone here who has not been heard who would like to be heard?

Is there anyone who has been heard who would like to be heard further?

If not, we will recess the hearings until the call of the chair.

(Communications received by Senator Keating on S. 1365, previously referred to, follow:)

ROCHESTER, N.Y., July 31, 1959.

Hon. KENNETH B. KEATING,
Senate Office Building,
Washington, D.C.:

Will you please convey to the Subcommittee of the Senate Government Operations Committee considering S. 1365 our strong beliefs that no better use can be made of Federal surplus property than to make it available to accredited voluntary welfare and recreation agencies? Inflationary prices are making it utterly impossible for many charitable organizations to afford replacement of their equipment as it becomes obsolete and inefficient. Availability of Federal surplus property to our agencies would help immeasurably to relieve this situation. We earnestly hope that the subcommittee working on this bill will give this matter serious and favorable consideration.

RICHARD P. MILLER,
Manager, Community Chest of Rochester and Monroe Counties.

INDIANAPOLIS, IND., August 3, 1959.

Hon. KENNETH KEATING,
Senate, Washington, D.C.:

Please act favorably on Senate bill 1365 authorizing use of Federal surplus property by welfare and recreation agencies.

FRANK M. HOPPER,
Executive Director, Hawthorne Social Service Association.

INDIANAPOLIS, IND., August 3, 1959.

Hon. KENNETH KEATING,
U.S. Senate, Washington, D.C.:

We urge passage of Senate bill 1365.

JAMES CLARK,
Executive Director, Concord Center.

NEW YORK, N.Y., August 3, 1959.

Hon. KENNETH B. KEATING,
U.S. Senate, Washington, D.C.:

As chairman of the Salvation Army New York Advisory Board, strongly urge passage of bill S. 1365 making Salvation Army and other agencies eligible for Federal surplus property.

WILLIAM COLLINS.

DES MOINES, IOWA, August 3, 1959.

Hon. KENNETH KEATING,
Washington, D.C.:

We sincerely urge your support of Senate bill 1365.

MARGUERITE COTHORN,
Secretary, Recreation Division, Council of Social Agencies.

DENVER, COLO., August 4, 1959.

Hon. KENNETH B. KEATING,
Senate Office Building, Washington, D.C.:

The Denver Urban League urges the passage of Senate bill No. 1365.

SEBASTIAN OWENS, *Executive Director.*

DENVER, COLO., August 4, 1959.

Senator KENNETH B. KEATING,
Senate Office Building, Washington, D.C.:

Would appreciate your favorable consideration of S. 1365 making recreational and welfare agencies eligible to purchase surplus Government property.

Msgr. ELMER J. KOLKA,
Director, Catholic Charities.

DES MOINES, IOWA, August 4, 1959.

Senator KENNETH B. KEATING,
Senate Office Building, Washington, D.C.:

We urge your support of Senate bill 1365 to authorize disposal of Federal surplus property to welfare and recreation centers.

BOARD AND STAFF OF WILKIE HOUSE, INC.

DENVER, COLO., August 4, 1959.

Hon. KENNETH B. KEATING,
Senate Office Building, Washington, D.C.:

We urge your support of bill No. 1365 pertaining to surplus commodities. The surplus commodities are of great value to charitable institutions such as ours.

DENVER ORPHANS HOME ASSOCIATION.

BUFFALO, N.Y., August 4, 1959.

Hon. KENNETH B. KEATING,
*Senator From New York,
New Senate Office Building, Washington, D.C.:*

All salvationists and others here approve your bill S. 1365. Good luck.

Lt. Col. ARTHUR S. WOODRUFF,
Divisional Commander.

KANSAS CITY, Mo., August 4, 1959.

Senator KENNETH KEATING,
Senate Office Building, Washington, D.C.:

The board of directors and the staff of Minutes Circle Friendly House urges you to vote favorably for Senate bill 1365. Our welfare agency could put to good use Government surplus kitchen utensils, maintenance, and workshop tools. The welfare dollar is stretched beyond its availability now, and the bill would be an asset.

Mrs. ARTHUR NOWELL,
Executive Director, Minutes Circle Friendly House.

WHITE PLAINS, N.Y., August 5, 1959.

Senator KENNETH KEATING,
U.S. Senate, Washington, D.C.:

We commend you for your efforts on behalf of the welfare and recreation agencies and wish to inform you that the Westchester County Recreation Commission is in total agreement with you and request your further efforts to authorize disposal of Federal surplus property to recreation agencies.

SAL J. PREZIOSO,
Superintendent, Westchester County Recrcation Commission.

DENVER, COLO., August 5, 1959.

Hon. KENNETH B. KEATING,
Senate Office Building, Washington, D.C.:

The board of directors of the YWCA sincerely request that every effort possible be made to insure Senate bill 1365 be brought before the Senate in Washington, D.C., on Thursday, August 6.

H. S. THOMAS A. GARDNER,
President, YWCA.

DENVER, COLO., August 5, 1959.

Hon. KENNETH B. KEATING,
Senate Office Building, Washington, D.C.:

We urge you to pass Senate bill 1365.

THE NEIGHBORHOOD HOUSE ASSOCIATION
 CHILD CARE CENTER,
 EVELYN F. PACKARD, President.
 SADIE MORRISON, Director.
 HAZEL BUNDY,
 Public Relations Chairman.

DETROIT, MICH., August 5, 1959.

Hon. KENNETH KEATING,
Senate Office Building, Washington, D.C.:

We are greatly interested in Senate bill 1365. Our struggle to give adequate services to needy children in the poor areas of Detroit would be greatly helped by passage of this bill.

JOHNNY BARTHOLOMEW,
Director, Sophie Wright Settlement.

NEW YORK, N.Y., August 5, 1959.

Senator KENNETH B. KEATING,
U.S. Senate, Washington, D.C.:

Federation of Jewish Philanthropies of New York on behalf of its 116 hospitals, homes for the aged, and other welfare and recreation agencies strongly approve the disposal of Federal surplus property to welfare and recreation agencies. Such a distribution can be of utmost assistance to our hard pressed institutions. Would appreciate your including these comments in the record.

MRS. NEWMAN LEVY,
Federation of Jewish Philanthropies.

FERNDALE, MICH., August 5, 1959.

Hon. KENNETH KEATING,
Senate Office Building, Washington, D.C.:

Our agency would greatly benefit by passage of bill 1365 authorizing disposal Federal surplus property to welfare and recreation agencies. We operate on tight limited budget highly dependent on community support particularly metropolitan Detroit torch drive. Does not fully enable us to obtain supplies and equipment needed. We support bill.

AREA SERVICE ASSOCIATION.

DENVER, COLO., August 5, 1959.

Hon. KENNETH B. KEATING,
Senate Office Building, Washington, D.C.:

We urge passage of Senate bill 1365 to enable social agencies to utilize surplus properties in serving more people thus releasing more money for direct help to persons in need.

BOARD OF DIRECTORS,
Lutheran Service Society of Colorado.

Hon. KENNETH KEATING,
Senate Office Building, Washington, D.C.:

We urge your support Senate bill 1365.

ST. PETER CLAVER COMMUNITY HOUSE.

CHICAGO, ILL., August 6, 1959.

Senator KENNETH KEATING,
Senate Office Building, Washington, D.C.:

We are in full support of S. 1365 which should make available to agencies such as settlements and neighbor centers Federal surplus goods. These resources would assist us in providing much needed recreational services to thousands of children and teenagers.

MALVIN MORTON,
Chicago Federation of Settlements and Neighborhood Centers.

BLUEFIELD, VA., August 12, 1959.

Senator KENNETH KEATING,
Senate Office Building, Washington, D.C.:

We favor House bill S. 1365 for a wider distribution of surplus goods to serve suffering humanity.

THE SALVATION ARMY ADVISORY BOARD,
 By OKEY B. YOST, *Chairman.*

LOGAN, W. VA., August 10, 1959.

Senator KENNETH KEATING,
Senate Office Building, Washington, D.C.:

The advisory committee of the local Salvation Army post urges the passage of Senate bill 1365 for which you are sponsor.

ROBERT O. GREEVER,
Chairman of the Board.

SEATTLE ATLANTIC STREET CENTER,
Seattle, Wash., August 1, 1959.

Hon. KENNETH KEATING,
*Senate Office Building,
 Washington, D.C.*

DEAR SIR: I would appreciate your assistance in the passage of S. 1365 giving authority in the disposal of Federal surplus projects to welfare and recreational agencies.

Our agency has been working with children and adults in a low income neighborhood with a variety of programs. Equipment for such programs is one of the major costs, such as tents for camping and other related equipment.

With limited resources, program is limited and since we rely on private giving, assistance on surplus items will help us do our work more effectively.

Very truly yours,

TSUGUO IKEDA.

FEDERATION OF SETTLEMENTS AND NEIGHBORHOOD,
 CENTERS OF METROPOLITAN DETROIT,
August 3, 1959.

Hon. KENNETH KEATING,
*Senate Office Building,
 Washington, D.C.*

MY DEAR SENATOR: We wish to go on record as supporting Senate bill 1365 to authorize disposal of Federal surplus property to welfare and recreation agencies. If passed, settlement houses and community centers such as ours could share in receiving surplus Government goods available in office supplies, chairs, tables, cooking wares, tents, etc. Always operating on limited budgets, this bill would enable us to replace wornout items of equipment and with additional office supplies to increase our efforts to explain our program and widen public support in the general community.

Sincerely yours,

GLADYS DUPPSTADT,
President, Detroit Federation of Settlements and Neighborhood Centers.

FRIENDLY HOUSE COMMUNITY CENTER,
Portland, Oreg., August 3, 1959.

Hon. KENNETH B. KEATING,
Senate Office Building,
Washington, D.C.

SIR: I understand that the Senate Government Operations Committee is holding hearings on S. 1365 which would authorize disposal of Federal surplus property to welfare and recreation agencies.

With limited budgets and increasing demands and need for services, the availability of surplus property could ease the cost of certain materials and supplies as well as equipment. In many instances this would free budgets for obtaining additional staff or for increasing salaries with which to hold staff.

Equally important, many services to people could be extended by the acquisition of supplies and equipment not now available, without additional and undue expense.

As an agency which hopes to benefit from the passage of such a bill, you should know that while we are sponsored by a religious body, we are non-sectarian, we proselyte in no manner and we offer our services to all.

I urge your support of S. 1365 and hope the committee will pass upon it favorably.

Respectfully yours,

CARL W. SHAW, *Executive Director.*

GUADALUPE CENTER,
Kansas City, Mo., August 3, 1959.

Hon. KENNETH KEATING,
Washington, D.C.

DEAR SIR: Guadalupe Center is a neighborhood house located on the west side of Kansas City in a Latin-American neighborhood. The brochure²⁰ we are enclosing will tell you a little about our work in the community.

We are a member of the Community Chest. Our budget helps us to staff our agency and take care of the overhead. There are many items we are in need of and that would help us give our people a well rounded program. Our budget is limited, therefore, we would like to appeal to you in reference to Senate bill 1365 which would give us the right to buy Federal surplus property. Some of the items that we are in need of or could use in the program are: typewriter, file, desk, lamps, duplicator, adding machine, fans, desk chairs, folding chairs, sleeping bags, blankets, and other camping equipment.

We would very much appreciate your making it possible for an agency such as ours to buy surplus property so that we can obtain the necessary items for good programing which we are unable to do now.

Sincerely yours,

Sister VIRGINIA, *Director.*

THE SALVATION ARMY, INC.,
SOCIAL WELFARE DEPARTMENT,
New York, N.Y., August 3, 1959.

Hon. KENNETH B. KEATING,
The U.S. Senate, Washington, D.C.

MY DEAR SENATOR: We appreciate the opportunity of expressing ourselves in regard to the current hearings on S. 1365.

The Salvation Army for over 60 years has been carrying on a variety of programs designed to help and assist the less fortunate. Included are homes and hospitals for unmarried mothers, character building activities for boys and girls, Golden-Age clubs, summer camps, neighborhood houses, social service centers for men, and counseling and social welfare services for the entire family.

In most cases the extent of these programs are limited only by the lack of sufficient financial resources. On many occasions the work of the Salvation Army could have been enhanced and further developed through the acquisition of Federal surplus property had this agency at the time been eligible.

²⁰ On file with the subcommittee.

We would respectfully urge that utmost consideration be given to the passage of S. 1365 thereby enabling the Salvation Army and other organizations to enjoy the same privileges accorded those agencies who are already approved and which have comparable objectives.

It is our considered opinion that passage of S. 1365 will help immeasurably in further developing the manifold eleemosynary programs of the Salvation Army.

May we express our real appreciation for your kind interest in this matter.

Very truly yours,

Lt. Col. ROY S. BARBER,
Social Welfare Secretary.

ALAMEDA COUNCIL CAMP FIRE GIRLS, INC.,
Alameda, Calif., August 4, 1959.

Senator KENNETH B. KEATING,
Senate Office Building, Washington, D.C.

DEAR SIR: The Alameda Council of Camp Fire Girls, Inc., is in favor of the adoption of the proposed amendments (S. 1365) to the Federal Property and Administrative Services Act of 1949, which would authorize the disposal of surplus property to certain welfare agencies.

Sincerely,

VIOLA JEAN DUNN, *Executive Director.*

ALAMEDA FAMILY SERVICE AGENCY,
Alameda, Calif., August 4, 1959.

Senator KENNETH B. KEATING,
Senate Office Building, Washington, D.C.

DEAR MR. KEATING: The board of directors of this agency, consisting of 18 lay members, urge the passage of S. 1365 whereby surplus property may be made available to welfare or recreation agencies.

Very truly yours,

JAMES C. CALKINS, *President.*

BIDWELL-RIVERSIDE CENTER,
Des Moines, Iowa, August 4, 1959.

Hon. KENNETH KEATING,
U.S. Senate, Washington, D.C.

DEAR SIR: We wish to add our voice and statement supporting Senate bill 1365 to authorize the disposal of Federal surplus property to welfare and recreation centers. We feel this would certainly be a fine way of benefiting the larger number of citizens.

Sincerely,

BIDWELL-RIVERSIDE CENTER,
DOROTHY W. HATCH, Director.

CATHOLIC YOUTH ORGANIZATION,
Los Angeles, Calif., August 4, 1959.

Senator KENNETH B. KEATING,
Senate Office Building, Washington D.C.

DEAR SENATOR KEATING: On behalf of the Catholic Youth Organization of Los Angeles, I request your support of Senate bill 1365 which authorizes disposal of Federal surplus properties to welfare and recreation agencies.

The Catholic Youth Organization, as a Community Chest supported agency in Los Angeles, would greatly enhance its group work services to all people with the passage of this bill.

Sincerely,

(Rev.) JOHN P. LANGUILLE, *Director.*

DELLA C. LAMB NEIGHBORHOOD HOUSE, INC.,
Kansas City, Mo., August 9, 1959.

Hon. KENNETH KEATING,
Senate Building, Washington, D.C.

DEAR MR. KEATING: The passing of Senate bill 1365, regarding the sale of Government surplus commodities to welfare agencies would be of great benefit to our Della C. Lamb Neighborhood House located in the slum area of Kansas City, Mo.

The agency is a project of the Methodist Church and a Community Chest agency which has been operating for the past 54 years, serving the very needy folks. It would mean much to us to be able to purchase equipment at less cost. It would mean we could afford some of the necessary equipment that would make our work both easier and more efficient. We need badly a new typewriter and adding machine, a dishwasher and refrigerator, table and chairs and intercommunication system, and many items.

May we encourage you to vote for this Senate bill and do all you possibly can do to encourage others to vote for it.

Sincerely yours,

Mrs. GRAYDON TILBURY, *President.*
 Miss BETTY BOWERS, *Director.*

DENVER FEDERATION OF COMMUNITY CENTERS,
Denver, Colo., August 4, 1959.

Hon. KENNETH B. KEATING,
Senate Building, Washington, D.C.

HONORABLE MR. KEATING: In the interest of the community centers we represent, as members of the Denver Federation of Community Centers, we hope you will give your wholehearted support to Senate bill 1365. This bill is in regard to the disposal of surplus property, to welfare and recreational agencies. Our community centers are agencies of the Mile-Hi United Fund.

Thank you for your support in this matter.

Sincerely yours,

Mrs. WILLIAM AUGUSTINE,
President, Denver Federation of Community Centers.

PILLSBURY CITIZENS SERVICE,
 NEIGHBORHOOD SOCIAL WORK,
Minneapolis, Minn., August 4, 1959.

Senator KENNETH KEATING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: It has come to my attention that you are sponsoring a bill permitting the disposal of Federal surplus to welfare organizations. This letter is being sent to express our support of your bill, since we know what a significant contribution Federal surplus goods could make to our organization.

Our operation consists of a settlement house serving large numbers of low-income people whose needs are many. These needs we attempt to meet through a budget that is never enough. We serve our members and neighbors in city and at camp, and can readily see how these surplus goods could be used in these settings.

It is the sincere hope of the board and staff of Pillsbury Citizens Service that the bill you are sponsoring will go through. Good luck to you, and again our thanks for the work you are doing.

Sincerely,

WILLIAM M. TAYLOR, *Executive Director.*

THE SALVATION ARMY, INC.,
WESTERN NEW YORK DIVISION,
Buffalo, N.Y., August 4, 1959.

Hon. KENNETH B. KEATING,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR KEATING: Please be advised that we are solidly behind your bill S. 1365, making Federal surplus property available to the Salvation Army and other agencies.

This bill if enacted into law would be of great assistance to the Salvation Army, and we deeply appreciate your efforts.

Sincerely yours,

ADAM E. CORNELIUS, Jr.,
Chairman, the *Salvation Army Advisory Board*
of Buffalo and Erie County.

AUGUST 4, 1959.

Senator KENNETH B. KEATING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR KEATING: On behalf of the Southern California Federation of Settlements and Neighborhood Centers, I request your support of Senate bill 1365 which authorizes disposal of Federal surplus properties to welfare and recreation agencies.

Our 34-member houses are serving "less chance" neighborhood in southern California and the passage of Senate bill 1365 would indeed stretch the Community Chest dollar.

Wishing you and your committee every success, I remain,

Sincerely,

ARNOLD MARTINEZ,
President, *Southern California Federation of Settlements and Neighborhood Centers*.

WHATEVER CIRCLE COMMUNITY HOUSE,
Kansas City, Mo., August 4, 1959.

Re Senate bill 1365.

Hon. KENNETH KEATING,
Senate Building,
Washington, D.C.

HONORABLE SIR: The Whatsoever Circle Community House is interested in Senate bill 1365 and requests that all welfare and recreational agencies have the opportunity to share in the disposal of surplus Government property.

Each agency is struggling with budget problems and assistance of any kind would enable us to carry on our work to a fuller extent.

Our agency could use the following items: Typewriters, duplicating machines, chairs, kitchen equipment, tables, fabric for sewing, sewing machines, and electric fans.

Sincerely,

Mrs. CHARLES SMALLFIELD,
President, *Board of Managers, Whatsoever Circle Community House*.

AVALON COMMUNITY CENTER,
Los Angeles, Calif., August 5, 1959.

Hon. KENNETH B. KEATING,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am writing to urge the passage of Senate bill 1365, which authorizes the disposal of Federal surplus property to welfare and recreation agencies.

Such authorization would be of value to settlement houses and community centers who are in great need of equipment for an effective social welfare program.

There is an urgent need for the passage of this bill.
Thank you for your support and cooperation.

Sincerely yours,

Mrs. ROBERT E. JONES, *Executive Director.*

HOME OF NEIGHBORLY SERVICE,
San Bernardino, Calif., August 5, 1959.

Senator KENNETH B. KEATING,
Senate Office Building,
Washington, D.C.

DEAR SIR: I would like to ask that you vote in favor of Senate bill 1365, that is the authorization of disposal of Federal surplus property to welfare and recreation agencies.

Thank you.

ESTHER RICHARD, *Girls Worker.*

DENVER, COLO.

Hon. KENNETH KEATING,
Senate Office Building,
Washington, D.C.

DEAR SENATOR KEATING: Your support of Senate bill 1365, authorizing disposal of Federal surplus property to health and welfare agencies is urgently requested. This would be a much-needed contribution to these organizations that are doing an important work in our community.

Respectfully,

IVY B. VAN ETEN.

JEWISH FAMILY AND CHILDREN'S SERVICE OF DENVER,
Denver, Colo., August 6, 1959.

Hon. KENNETH B. KEATING,
U.S. Senate, Washington, D.C.

MY DEAR MR. KEATING: Your help in passing S. 1365 authorizing the disposal of Federal surplus property is appreciated. It will go a long way in helping social agencies do an even better job in helping our fellow citizens live to the maximum of their capacities, making them stronger and healthier.

Thank you very much.

Most sincerely yours,

Dr. ALFRED M. NEUMANN,
Executive Director.

ALBANY, N.Y., August 7, 1959.

Hon. KENNETH B. KEATING,
U.S. Senate, Washington, D.C.

DEAR SIR: As one familiar with many years with the fine work of the Salvation Army and their rehabilitation of so many people, your bill, S. 1365, has my wholehearted approval.

Yours very truly,

LAURENCE MCKINNEY.

Hon. KENNETH KEATING,
Senate Office Building, Washington, D.C.

DEAR SENATOR: As chairman of the advisory committee of the Salvation Army in Utica, I am most interested in your Senate bill 1365. It would make Salvation Army along with other agencies eligible for Federal surplus property.

I strongly urge you and the committee on which you are serving to give favorable consideration to this legislation.

The type and quality of work of the Salvation Army is such that any advantage which they can derive from Federal surplus property should be granted to them.

Very sincerely yours,

WILLIAM C. MORRIS.

(Whereupon, at 1 p.m., the hearing was recessed subject to the call of the Chair.)

EXPANSION OF DONABLE PROPERTY PROGRAM

MONDAY, AUGUST 10, 1959

U.S. SENATE,
SPECIAL SUBCOMMITTEE OF THE
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The special subcommittee met, pursuant to call, at 10 a.m., in room 3302, New Senate Office Building, Senator Ernest Gruening (chairman of the subcommittee) presiding.

Present: Senator Ernest Gruening.

Also present: Walter L. Reynolds, chief clerk and staff director; Ann M. Grickis, assistant chief clerk; and Glenn K. Shriver, professional staff member.

Senator GRUENING. The meeting will please come to order.

This hearing has been called for the purpose of obtaining additional information concerning the present operation of the donable surplus property program, and to clarify questions which have been raised by the executive branch concerning the advisability of extending the program to permit donations of property to additional donees not now eligible under the present law.

I would like first of all to obtain information, now lacking in the record, concerning transfers of surplus property for use in programs under the jurisdiction of the International Cooperation Administration and the Bureau of Public Roads. We also wish to explore the donable surplus property program as it applies to civil defense units.

Specifically, with respect to these three programs, I would like to find out how much property, which might otherwise be donable, has been transferred under special legislation and regulations. The obvious purpose of this inquiry is to determine the impact of transfers to these programs on the donation of property to presently eligible donees, and the potential effect on additional donees which might be admitted to the program.

In addition to examining the transfers of property to the programs of civil defense, public roads, and foreign aid, I would like to obtain specific information concerning—

- (1) The amount of surplus property available for donation and its disposition; and
- (2) Administrative procedures now followed in the donable property program to insure, first, prompt and adequate screening of property declared excess; second, proper end-use of the property for the purposes prescribed by the statute.

In examining the record of the hearings conducted on July 29 and July 30 the subcommittee finds that there are not sufficient factual data

now available to determine action which should be taken on the bills now before us, which would extend the donable property program to additional donees.

It appears that the executive branch is opposed to extension of the program for the two chief reasons that, first, there is an insufficient amount of surplus property generated to meet requirements of eligible donees under the present law; and, second, the addition of other donees would create difficult administrative problems.

In reviewing the position of the Department of Health, Education, and Welfare and the General Services Administration, however, we find that there are many questions raised by the statements of those agencies.

In short, the committee must obtain a great deal of additional information of the kind we expect to acquire today and subsequently before decisions can be made on the proposed legislation under consideration.

To be specific, we must obtain answers to the following questions:

1. How much surplus property is available?

Of property available, how much is or has been donated to eligible donees?

Of property available, how much, which would otherwise be donable, is being sold?

2. What kinds of property, now being sold, would be usable by potential donees to whom extension of the program is proposed by the bills introduced?

3. Under existing organization and procedures of the Department of Health, Education, and Welfare, is it possible to prevent the sale of property which would otherwise be available for donation to organizations now eligible under the present law?

4. If additional staff were made available to the Department of Health, Education, and Welfare, would it be possible to prevent sales of property which would otherwise be donable under existing law?

5. Exactly what is the nature of the administrative problems which would be created by the addition of other eligible donees?

6. To what extent is potentially donable property being kept in Defense Department warehouses and not declared excess to needs? What safeguards are maintained to insure prompt declarations that property is in excess? What safeguards are maintained to insure that each of the services is not buying with the left hand the same items it is declaring excess with the right hand?

Now, we have a number of witnesses here who want to testify in behalf of their organizations that they want surplus property, and we will be very glad to hear them, but I would like to suggest that our problem is not to find agencies or groups that want this property. Everybody wants this property. Our problem is to find out which is available and whether more can be made available, and whether the procedures is such more can be made available.

However, we will be very glad to hear from those who have these problems; but I would like to suggest that, if they have a statement, they summarize it briefly and then file it for the record.

Our first witness this morning is Mr. Howard Jeffery, executive director, American Recreation Society, Inc.

Mr. Jeffery, please sit down and proceed in your own way.

I want to say to you while the committee is very sympathetic about these problems, our problem is not particularly to hear from these agencies because we know all of them are deserving and all of them have desires, and our problem is to find out whether we can or cannot get more property distributed.

You may proceed, Mr. Jeffrey. If you have a prepared statement, please summarize it and then submit it for the record. It will be printed in full at the conclusion of your remarks.

STATEMENT OF HOWARD JEFFREY, EXECUTIVE DIRECTOR, AMERICAN RECREATION SOCIETY, INC., WASHINGTON, D.C.

Mr. JEFFREY. Thank you, Mr. Chairman.

I would like to indicate there is property available and that there are methods by which the Government units of recreation departments in cities and towns and counties as tax-supported institutions, could receive this accountable property to serve as a vital resource for park lands, for the wildlife refuges that you have mentioned in your legislation, and for the community recreation of the people throughout the country.

Real property represents this vital source. We are facing a crisis in outdoor recreation. We urge the favorable report of the 21 bills submitted, or a combination of principles indicated in the 21 bills that are now in the Senate, and the 4 bills that we know of that are in the House. We urge this because an increase in the number of requests for surplus would solve the problem of delayed distribution.

We have had this expediting evidence given to us by surplus officers who believe that this property now in Texas and in other places would move from the warehouses where it now is damaged by storage, is a problem of maintenance, and needs to be moved.

We also would like to point out that private agencies are now eligible for surplus properties and governmental agencies are not. The American Institute of Park Executives joins with us in the support of legislation making available supplies and equipment and real property to these governmental units at the State and local level.

Senator GRUENING. Well, now, what is the American Recreation Society?

Mr. JEFFREY. The American Recreation Society is the professional society of people who work in the field of recreation. We represent 5,154 of these people. There are approximately 25,000 of them throughout the country who work in recreation in various settings. We have as members 1,400 who work entirely for tax-supported municipal, county, and local governmental units.

Senator GRUENING. Does the society exist in every State of the Union?

Mr. JEFFREY. Yes; we do. Our chapters are in 30 of these States. Our members are in every State of the Union, including yours, sir.

Senator GRUENING. What does a chapter consist of?

Mr. JEFFREY. A chapter would consist of a State organization with its elected officers.

Senator GRUENING. Well, now, you are in every State of the Union. I will have to confess I am not familiar with the activities of your society in Alaska. Does it exist there?

Mr. JEFFREY. That is right. In some of our States there have not been enough recreators yet to join together to form an official chapter. We have active individual members from the other States than the 30 in which we have chapters.

Senator GRUENING. Well, now, give me an illustration of what you do in a specific State. Take some State that you would like to use to illustrate your activities.

Mr. JEFFREY. In Pennsylvania, for example, we would have a State chapter. This group would have its professional conferences, workshops, and meetings. It would develop solutions to the problems that face recreation. Its president, for example, has written us on this matter. In the 1,200 communities in their State they vitally need the property materials and supplies and equipment for maintenance and for other purposes in caring for the buildings and other operations. This would be possible through this program if it were authorized to make available the benefits of surplus property to tax supported public recreation and park agencies.

Senator GRUENING. Well, what is the relation of the chapter to Government organizations, Federal and State, municipal and county? What is your relation to them? How do you relate your activities to the existing public parks, let us say? How do you work that?

Mr. JEFFREY. We would develop those professional knowledges which are important in park operation. We would very seriously work in terms of, for example, at this time encroachment on recreation and park space. The wildlife refuge in Idaho, for example, is as much of a concern to us as would be the little 18-acre plot of land in Bridgeport, Washington State. This playfield property was declared surplus and the community had spent \$100,000 in work bees on this property and yet they could not afford to buy it back.

Senator GRUENING. Is your organization working to save the dunes in Indiana?

Mr. JEFFREY. Yes. We are very interested in that.

Senator GRUENING. How do you work this? What do you do?

Mr. JEFFREY. Well, our members are actually working in those facilities, in the Indiana Dunes State Park. One of our members is serving on the Outdoor Recreation Review Commission.

Senator GRUENING. You are saying that you work for, say, wildlife refuges. Now, the dunes do not exist as a recreation area, and I was wondering what you were doing to help save them. I would like to get an idea of your activities. Do you lobby?

Mr. JEFFREY. We bear testimony in support of those programs, for example, that would require budgets, like Mission 66 or Operation Outdoors.

Senator GRUENING. Who pays the workers in your organization? How are they paid?

Mr. JEFFREY. By individual membership dues, sir.

Senator GRUENING. Well, I mean, are you hired by municipalities or counties?

Mr. JEFFREY. I am hired by the members of the profession.

Senator GRUENING. But your individual workers, how many people do you have working for this American Recreation Society?

Mr. JEFFREY. For the society; there are three working for the profession in my particular office. There are 400 members, who serve on

national committees. We have a service organization with a great many other employees who are working for this interest. This is a private service organization while parallels our professional society.

Senator GRUENING. You say you represent 5,154 recreators.

Now, for whom do they work? What do they live on? Who pays them?

Mr. JEFFREY. They work in all the situations to which recreation is adapted: Parks, public recreation, hospitals, Armed Forces; rural, private, and voluntary agencies, and others. They are paid for in many instances by the municipalities as the employees of city or town or county recreation departments, and sometimes schools.

Senator GRUENING. Athletic coaches and so forth?

Mr. JEFFREY. No, Mr. Chairman. Recreators are interested in developing all of the recreation programs which revolve around the human interests of people, and they are also responsible for facilities, areas and for the recreation programing of communities.

Senator GRUENING. Well, it isn't quite clear to me just how you intermesh with existing recreation facilities. Give me a specific example of what some of your recreators, your 5,000 recreators, do. What specifically do they do?

Mr. JEFFREY. For example, we have a member of our society who is responsible for a park in Wheeling, W. Va. He is responsible for its maintenance and its operation.

Senator GRUENING. This is a city park?

Mr. JEFFREY. This is a municipal park.

Senator GRUENING. Does the municipality pay him?

Mr. JEFFREY. Yes, it does.

Senator GRUENING. In other words, you are a profession of people engaged in recreation whose services are available if communities want to hire them. Is that a correct statement?

Mr. JEFFREY. Yes, Mr. Chairman.

Senator GRUENING. And you have a total of about 5,154.

Mr. JEFFREY. Members of our society.

Senator GRUENING. You say that the surplus property is available. Just what do you mean by that, and how do you know there is?

Mr. JEFFREY. Our members have told us. I have, for example, included in my testimony the fact that at one of the Air Force bases in the West, an area council of the Boy Scouts received a surplus bulldozer. The school camps received lumber, tarpaulin, tents, and many other useful tools, and the tax supported units have not been able to receive the same privilege, and it is this that we are particularly interested in.

Senator GRUENING. Well, now, there are various organizations which overlap your demand, such as the Boy Scouts and Girl Scouts. You are simply speaking in general on behalf of the principle of having surplus donated to recreation. You don't expect your society as such to receive it, do you?

Mr. JEFFREY. No, we request this privilege for tax-supported governmental units.

Senator GRUENING. What would be your method of accounting for such properties as you receive? Have you facilities for accounting?

Mr. JEFFREY. Yes, I believe we have, because in our State park departments or in our municipal government operations, we are accountable for the inventories of our property.

Senator GRUENING. Well, you say you think you are. Where would the accounting take place? At what levels? Do you, as executive director, have an office?

Mr. JEFFREY. Yes, sir.

Senator GRUENING. Where?

Mr. JEFFREY. Here in Washington, sir.

Senator GRUENING. Would you do the accounting?

Mr. JEFFERY. No, sir; the individual member employed by the tax-supported recreation and park departments. For example, the superintendent of parks and recreation in Richmond, Va., or in Wheeling, W. Va., or any other tax-supported recreation and park authority would be accountable for this property.

Senator GRUENING. Why shouldn't surplus property go to the State agency and be distributed by the State agency to your organization if that was considered desirable?

Mr. JEFFREY. The procedure you indicate would be highly desirable. This is exactly the privilege which we have not yet had, sir, for tax-supported recreation and park services.

Senator GRUENING. In other words, you want to be made eligible for distribution through the existing State organization. Is that it?

Mr. JEFFREY. State and local governmental organizations.

Senator GRUENING. Mr. Shriver wants to ask a question.

Mr. SHRIVER. Mr. Jeffrey, if this property is made available to your organization, what control would you have over the property after it is allocated?

Mr. JEFFREY. Each of these individual members of our society are employed by either State or local governments and they are accountable to the State or local government.

Mr. SHRIVER. So the local people would be held accountable for control of this property after it is allocated?

Mr. JEFFERY. That is right. This would be a government function.

Senator GRUENING. Thank you very much, Mr. Jeffrey.

Mr. JEFFREY. Thank you, Mr. Chairman.

(The prepared statement of Mr. Jeffrey is as follows:)

TESTIMONY ON MAKING AVAILABLE SURPLUS PROPERTY TO PUBLIC TAX-SUPPORTED RECREATION AND PARKS DEPARTMENTS

The American Recreation Society, representing 5,154 recreators throughout the Nation, urges support of legislation to make available surplus property to tax-supported recreation and parks departments.

During this 86th Congress 21 Senators and 4 Congressmen, to our knowledge, have introduced and sponsored bills which would permit the donation of surplus property to tax-supported recreation and park services. We respectfully submit this testimony in support of their action.

Surplus supplies and equipment deteriorate, need maintenance, and use up space in warehouses throughout the country. Real property represents a vital source of park lands and historic sites which we need in the planned preservation of park and other facilities against encroachment on our outdoor resources and the encroachment of selfish interests trying to violate the general good.

We represent the officially expressed wishes of the members of our 30 State chapters of the American Recreation Society. Lay citizen recreation boards from every area of the Nation who, themselves, are representative of the recreation needs and wishes of all ages, economic classes, races, and groups in their communities have also joined our individual members in expressing the need for passage of legislation to make available surplus property. This legislation presents a commonly held expressed need throughout the United States. We urge

the favorable report by the Government Operations Committee and the enactment into law of the privileges well expressed in bills during the 86th Congress, 1st session.

There is, without a doubt, no other service which more nearly includes all of our citizens than does planned community recreation.

An increase in the number of requests for surplus solves the problem of delayed distribution of surplus. The administration, organization, and management which Federal, State, and local government authorities would work out would make surplus available without delay. We respectfully suggest that through their State representatives recreation and park departments would expedite the movement of this property. Granted the legal right to request, financial loss due to damage and storage would be reduced. The expense caused by storage and maintenance would be eliminated.

In the interest of the Nation and its citizens, recreation and park need for real property exists where many of these are located. As a nation on wheels, these lands are accessible to the taxpayers in every State in the Nation. They are of primary importance to the local citizens. The interests of the local citizens and the equal interests of all citizens in every State would be better served. This principle is, we know, important to the Government Operations Committee.

Many private recreation agency already are eligible to receive surplus supplies and equipment. Since tax funds paid for this material originally, it seems only fair that tax-supported agencies should also be able to use these surplus items. This, in turn, would be a saving to the Government operations in town or city, village, county, or States. The present laws allow such agencies as public schools, health departments, veteran organizations, youth agencies, Boy and Girl Scouts, etc., to acquire surplus property on a gratis basis. We respectfully request the same privilege for local and State and public recreation and park services.

The question is asked what would recreation agencies use surplus property for. Five months ago at one Air Force base, the VFW came in for a complete F-86 aircraft to use for display. An area Council of Boy Scouts received a bulldozer. The school camps received lumber, tarpaulin, tents, and likewise many other useful tools and equipment were given on a surplus basis to such organizations. These illustrate an answer to the question numbers of the committee have asked for the practical application of various surplus goods. The uses of supplies and equipment are as varied as recreation activities and facilities in parks, playgrounds, and indoor recreation centers. Our inventories include program supplies, office supplies, as well as items which maintain and keep property in good running order. Graders, tractors, and bulldozers can be found among the heavy maintenance equipment. Buildings are painted and properties given all kinds of protection to prolong the life of the physical plant. Public recreation and park services would make a sincere, honest, and beneficial use of surplus.

We urgently need participation in Federal surplus property disposal to stretch tax dollars spent on supplies, equipment, and property for public recreation and park services.

Why all tax-supported agencies were not included in this legislation in the first place is very difficult to understand. Surplus property continues to lay in warehouses in Texas according to statements from our members. Officers in charge of surplus say the more requests there are, the more quickly supplies, equipment, and property move.

Not long ago, in Bridgeport, Wash., a park area was declared surplus. Although this community had invested \$100,000 in materials and labor at work bees on this 18-acre property, they could not afford the available funds to repurchase the land and to set aside this space in their community for generations to come. There is no State in the Nation where this same situation might not be duplicated. The disposal of real property to governmental units prevents the growing crisis in our outdoor recreation resource needs. Idaho's potential wildlife refuge would cost the Federal Government more than the purchase price to return the land to the original owners. This cost would result from the flood-controlled waters that rise and fall over the what would then be private lands. A community in Oregon may be ready to operate a historic building which the park service cannot. Along our eastern seabord we may find surplus space near our sprawled out urban areas.

This year Pennsylvania is spending \$28 million to build reform schools. It is also interesting to study the mental hospital costs compared to the cost of public

recreation services. Budget of the majority of the community recreation programs are too low to meet the recreation needs of our people. Recently, we had a letter from the president of the Pennsylvania Recreation Society, representing more than 1,200 communities in that State, urging that H.R. 702, H.R. 2186, and H.R. 543 be passed so that the tools necessary to make a well-rounded program might be made available.

Members of the American Recreation Society have had the opportunity to observe the public recreation and park needs for surplus property in all the States.

We believe Federal, State, and local government recreation services are important to our country in this age of leisure. It is unrealistic to exclude the local and State governmental agencies for recreation from sharing in the vast benefits which might be made available to their people through the disposal of Federal properties, supplies, and equipment.

In planned recreation, we hold the key to our industrial future. We produce more than survival needs. In many towns, cities, and counties, recreation services cannot be primed and started unless the basis of property, supplies, and equipment is made available to the citizens, and the recreators who provide the leadership.

The availability of surplus has always been urgent and important. It is a fine action to have the proposals for making available and permitting the donation and other disposal of property to tax-supported, public recreation and park agencies expedited.

We hope that Congress will make it possible for these bills to come out of committee and be passed. In the House, H.R. 896 was introduced by Congressman Younger, H.R. 702 was introduced by Congressman Baldwin, of California, and H.R. 2186 by Congressman McDowell, of Delaware.

We have letters indicating vigorous support of the type of action taken by 21 Senators and 4 Congressmen who have submitted surplus legislation this session.

We request that the real benefits of surplus be made available to tax-supported public recreation and park agencies.

Respectfully submitted.

HOWARD JEFFREY,
Executive Director,
American Recreation Society, Washington, D.C.

The following are some of the many Senators interested in recreation and parks who submitted legislation during the 86th Congress, first session:

- S. 2102—Mr. Bible.
- S. 2043—Mr. Chavez.
- S. 1766—Mr. Clark.
- S. 2244—Mr. Goldwater.
- S. 2270—Mr. Gruening.
- S. 155—Mr. Kerr and Mr. Monroney.
- S. 1365—Introduced on March 9 and 10, 1959, by Mr. Keating, Mr. Javits, Mr. Langer, Mr. Saltonstall, Mr. Case of South Dakota, Mr. Young of North Dakota, Mr. Bush, Mr. Beall, Mr. Bennett, Mr. Martin, and Mr. Carlson, the Government Operations Committee in rewriting.
- S. 2367—Mr. McCarthy.
- S. 1018—Mr. Stennis.

Senator GRUENING. Mr. Hubert Snyder.
Mr. Snyder, we are happy to hear you.

STATEMENT OF HUBERT SNYDER, CHAIRMAN OF THE PARK SECTION, AMERICAN RECREATION SOCIETY, INC.

Mr. SNYDER. Mr. Chairman, I would like to say first of all that I may have an answer to Mr. Jeffrey's question—that Mr. Jeffrey was asked, with regard to membership of the American Recreation Society.

I am a member of that society, which is a professional organization. I am also the director of the recreational parks, Baltimore County, Md., and chairman of parks and facilities for recreation section of the

American Recreation Society. I am also the committee chairman for standards for parks, recreation areas, and open spaces on the Baltimore Regional Planning Council. I am also the former chairman of the Maryland State Council on Parks and am a member of the Maryland Advisory Committee for the Development of the Gunpowder River Valley State Park.

I mention this not to sell myself, but only to clarify the functions of the various professional members of the American Recreation Society. I have also given a supporting statement, made it available to the committee, and I would like to say that I am not here in the position of wanting property, but to represent the definite need for property.

In our statement—in my statement, we call your attention to the fact of the needs and the demands for property for recreation and park facilities on local, county, State, and municipal levels. This need today is a very serious one and at a time when the National Government is concerned with the lack of fitness in our youth, the future of our aged, the rise in juvenile delinquency, the upsurge of mental illness and the lack of opportunity for the pursuit of happiness, the loss of wilderness areas, our disappearing shoreline and water areas, I would like to emphasize that our local governments are all vitally concerned with this problem.

There is also an increasing awareness on the part of people of their potential ability to provide through recreational park facilities and programs at least a partial solution to many of the problems that I have indicated.

Answering your first question—Is surplus property available—I can only go to my own State of Maryland and to my own political subdivision, Baltimore County, and say we are confident there is surplus property there in the matter of land, access to the waters of the Chesapeake Bay—

Senator GRUENING. Land. Do you include land as surplus property?

Mr. SNYDER. I am assuming, sir, that that is true.

Now, as to whether or not that property is or has been declared surplus, I do not know. I do know that it is there as a part of the military reservation. It is and could be part of a tremendous park facility serving the people of the State of Maryland.

Senator GRUENING. I hope you understand that that is an issue which is not primarily before us. The distribution of land is a problem largely outside of the sphere of this hearing. We are dealing chiefly with the surplus property that is tangible property, which is made available. I am interested in your thoughts about land, but that really raises another question.

Mr. SNYDER. I am sorry, sir. I did not appreciate the fact that land was not a part.

Senator GRUENING. May I ask you one question? Have you seen a list of these bills that are before the committee?

Mr. SNYDER. I have seen the list here this morning.

Senator GRUENING. Under which of these bills do you believe your needs could be taken care of?

Mr. SNYDER. I am sorry, sir. I have not read the bills. I have not read all of them.

Senator GRUENING. Well, you have the titles of the bills which make fairly evident what are the bills' purposes.

S. 1766, introduced by Senator Clark, is to amend the Federal Property and Administrative Services Act of 1949 to permit the donation and other disposal of property to tax-supported public recreation agencies. That is the fifth bill from the top.

Would passage of that bill satisfy your needs as far as you know?

Mr. SNYDER. I would like to say this, that I have assumed property meant both real and other property, and that land and water areas would be a part of surplus property.

Now, I may say this, that in the development of parks, recreation areas, on the local government level, the use of other equipment such as machines, trucks, tractors, supplies and equipment of various types is—

Senator GRUENING. There is one bill here which I introduced by request, S. 2270, that makes possible transfer of certain real properties for wildlife preservation. Would that include your needs? It is a clarification of existing law. I don't know whether that will take care of your needs or not.

Mr. SNYDER. I have assumed the need is for property, real property, land water areas. For instance, in the case of the State of Maryland, near the Aberdeen Proving Grounds you have hundreds of acres of land that give access to the Chesapeake Bay. Alongside of that is a proposed wildlife refuge. That particular area we would assume to be used for preservation of wildlife, but also as a park and access to the waters of the Chesapeake Bay. It could well be in this particular instance a part of approximately a 40-mile park along the Gunpowder River.

Senator GRUENING. What other kind of property could you find useful?

Mr. SNYDER. I mentioned we certainly would find equipment, trucks, tractors, various other kinds of mechanized equipment that could be used in the maintenance of parks, recreation areas, and facilities. Other kinds of supplies might be of any sort, because in the development of parks today, the needs are so far in front of our ability to meet them that supplies of many kinds could be used. Particularly would I say in the maintenance of parks and the building of them, that equipment of that sort would be very helpful.

Senator GRUENING. Now, both the Department of Defense and the Department of Health, Education, and Welfare have the view that there is insufficient property to meet the needs of those now eligible. Do you believe that is a correct statement? Do you agree or disagree?

Mr. SNYDER. I wouldn't be able to agree or disagree with that positive statement. I know this, that we can say emphatically that we believe that the needs of the people should be met in every possible way.

Now, as to whether or not their need is greater than the need for recreation and parks is a question. We do know this, that the leisure time of people, the demand for parks and recreation areas is far beyond our ability to meet them today locally, and it is estimated that they will increase many times in the next 20 years, so that I feel if there is surplus property that can be used, and I feel certain there is, I have already been using it in cooperation with the board of

education. It is a round-about way of getting the use of such property, but I believe that we certainly must face the tremendous demands for park and recreation facilities and programs, and if there is property of any sort available belonging to the Federal Government, I believe here is a place where the Federal Government can be of great aid to the political subdivisions of the Nation in meeting these pressing needs.

Senator GRUENING. You understand that all this property that is given away, presumably ultimately goes to the people. There are just different categories of people who are represented by these bills, and the question is whether there is enough to go around to enlarge the areas into which this property can be distributed, to increase the categories of recipients, and, needless to say, every agency whose spokesmen come here feel, and quite understandably, that their agency is important and that their need is important.

Now, have you any specific evidence that there is surplus property available which could be turned over for recreation purposes which is now not being so used and is either being sold or is being stored or is not being utilized by the agencies which do get it, such as civil defense, education, and hospitals?

Mr. SNYDER. Well, I did mention in the case of the State of Maryland, certain lands, specifically Carroll Island, Graces Quarters—

Senator GRUENING. What is this island?

Mr. SNYDER. Carroll Island, Graces Quarters, located in Baltimore County, Md.

Senator GRUENING. Would you be specific? Tell us where these lands are.

Mr. SNYDER. They are off the mouth of the Gunpowder River, which is a part of Baltimore County, Md.

Senator GRUENING. What agency of the Federal Government now controls them?

Mr. SNYDER. The U.S. military.

Senator GRUENING. Have you reason to believe the military are prepared to declare these areas surplus?

Mr. SNYDER. We have reason to believe they may declare them surplus in the near future.

Senator GRUENING. Have you made any request that they be turned over?

Mr. SNYDER. We have not made a formal request. We have investigated it through our Maryland Senators and others as to whether or not it might be declared surplus. We have reason to believe it will be, this particular section of it.

Senator GRUENING. And if this land is declared surplus, you would like to be considered for its transfer for what purpose, a public park?

Mr. SNYDER. Public park.

Senator GRUENING. Run by the city of Baltimore?

Mr. SNYDER. It might be operated by Baltimore County, which is a separate political subdivision from Baltimore City. It may be made a part of a State park. For instance, we are developing in Baltimore and around Baltimore a tremendous metropolitan region. I mentioned that I work with the Baltimore Regional Planning Council. We believe we will have there $2\frac{1}{2}$ million people in the next 30 years, and it is quite possible that this particular area might be made a part of a State park because we believe in this instance that the State would

be the only type of government able to handle a park that would serve not only Baltimore County, Hartford County, Baltimore City, and other adjoining political subdivisions. But certainly it is land, access to the Chesapeake Bay, that is vital to the people of the area.

Senator GRUENING. Is there shorefront property there?

Mr. SNYDER. Yes. I am not sure, but probably 50 miles of shoreline into the bay.

Senator GRUENING. For what purpose is it being used now by the military?

Mr. SNYDER. It is being used—I couldn't specifically state, because it is a part of the Aberdeen Proving Ground, which is the main body lying across the mouth of the Gunpowder River, so that I do not know the specific use the military has made of it. I do know that there are other properties, particularly in western Maryland, that might be available for the development of parks.

Senator GRUENING. Would you be kind enough to submit a list of these properties that you think might be available for recreation purposes?

Mr. SNYDER. Yes; I would be glad to.

Senator GRUENING. So that we can inquire of the agency which now controls them whether they are likely to declare them surplus, and if so, whether we can see that they are transferred for useful purposes.

Are any funds available for payment of these surplus lands?

There is a provision in the Federal Property and Administrative Services Act under which the Federal Government may transfer property at one-half of its fair market or appraised value if it is to be utilized for recreational purposes. Under the so-called Morse formula, this provision of law is required as a yardstick in the approval of legislation which proposes to transfer surplus property by private law at one-half the appraised value.

Have you any knowledge whether the city of Baltimore or Baltimore County or any other political unit would be prepared to pay one-half the appraised value?

Mr. SNYDER. I might say, Senator, I have very painful knowledge of the inability to get sufficient funds to meet the needs and demands of the people for park areas. We are in a position now, and I believe this is true of certainly all of the local governments that are faced with the development of the great metropolitan regions, the urbanization of our Nation, so that frankly, in Baltimore County and in Baltimore City, we are faced—and also in the State of Maryland, even though they may have a little surplus at the present time—it is faced with the problem of getting enough money soon enough to get lands and property before it disappears.

This is particularly true of land and water areas. Our local governments are borrowing money up to the extent of their limitations, bonded indebtedness. We are trying to develop a State—the Gunpowder River Valley State Park in the State of Maryland. I think this is typical over the Nation, in which the land purchase alone will be \$3.5 million for one park. Our ability to get sufficient money soon enough to acquire these areas and these facilities is extremely limited. We at least can save them for the future and for the tremendous population which we expect and have reason to believe we will reach. So that the matter of getting funds is a part of this.

I believe that you can say locally that governments, at least those I have contacted, are not looking for a giveaway, but they are looking for land, water areas that the people will want and need in the very near future. Our ability to get sufficient funds at this time is impossible because of the cost of the land purchases. All of our budgets are increasing tremendously in this field of public recreation and parks.

Senator GRUENING. I sympathize with your problem. We have similar problems elsewhere. We have one in the State of Illinois where Joliet Arsenal has some 30,000 acres. An effort is being made to get some of that, to turn it over for recreation purposes. The State of Illinois is prepared to pay a substantial amount, but it isn't quite enough to satisfy the Morse formula according to the author, Senator Morse.

Now, the administration at present seems to feel that the States should take over a far larger share of the financial responsibility than they are now doing in various fields, and that the Federal Government's participation should be diminished rather than increased, and I think that would be pertinent to the situation.

Mr. SNYDER. There is another point here I would like to bring to your attention, that with the development of our metropolitan regions and the highway system where people are on wheels, and from the standpoint of parks, it is not a case of one State providing it. In many cases we will have two or three States joining together in the development of parks, so that the fixing of responsibility on a political subdivision may be a financial responsibility that should not be carried by that particular subdivision because this park must serve and will serve the needs of adjoining States, adjoining counties, and there is much evidence of this over the Nation, this joining together by States, by counties, by cities and counties and other political subdivisions in attempting to obtain sufficient property and sufficient parks, and the operation of them. That is a real problem. I think it possibly shows—I mentioned the Baltimore Regional Planning Council, in that particular instance five counties and the city of Baltimore, and we are sure we must involve the State of Pennsylvania.

Senator GRUENING. There is a bill now before this committee, S. 1431, introduced by Senator Clark, to create a Commission on Metropolitan Problems which would deal with just those matters that are interstate. But, actually, if you have more than one State, more than one county, more than one political unit working at this, it should be easier to raise the necessary funds than if it were wholly left to one unit, would it not? I appreciate the problem. It exists everywhere.

Mr. SNYDER. It is a financial problem, and the thing I would like to emphasize, there is urgency. Otherwise if we are unable to move now, much of our land and water areas, particularly in these developing metropolitan regions, will be gone, and they cannot be replaced.

Senator GRUENING. That is true.

Thank you very much. Your statement will be filed at this point in the record.

Mr. SNYDER. Thank you.

(The prepared testimony of Mr. Snyder is as follows:)

SUPPORTING STATEMENT PRESENTED BY HUBERT I. SNYDER

At a time when the needs and demands of the American people for more recreation and park facilities, programs, and the maintenance of them, are increasing steadily, ability to meet existing needs is lacking on practically all levels of government throughout the United States. This condition takes on the magnitude of a crisis when considered from the realistic viewpoint that the public needs and demands for recreation and park opportunities will, without doubt, increase many times in the next 50 years.

The rapid urbanization of the Nation, the development of great metropolitan regions, the soaring population, and the increasing amount of leisure available to people create tremendous problems, possibly the greatest faced by the Nation today. This is particularly true when confronted with the positive viewpoint that leisure must be productive and result in the mental, physical, and spiritual strengthening of the people; that if not used wisely this same leisure will become a blight rather than a boon to the very people whose work and ingenuity created it.

Meeting the leisure time requirements of the people for land, water areas, open spaces, parks, recreation facilities, supplies and equipment in a realistic manner requires the full, joint, and cooperative efforts of local, city, county, State, and Federal Governments and organizations concerned with this problem. It can be said emphatically, especially with regard to land and water areas, that the opportunity for obtaining these for the benefit of the public is now or never.

The Nation is concerned with the lack of fitness in our youth, the future of our aged, the rise in juvenile delinquency, the upsurge of mental illness, the lack of opportunity for the pursuit of happiness, the loss of wilderness areas before the onrushing bulldozer, our disappearing shoreline and water areas. This anxiety is shared by all local governments.

This concern is accompanied by the increasing awareness of the people of their potential ability to provide through recreation and park facilities and programs at least partial solutions to many of the problems indicated above. The sharing of concern would imply sharing resources in order for all to take practical economic and efficient action in a joint effort to meet public requirements.

Many of the political subdivisions of the Nation are already joining together, sharing land, parks, and recreation facilities and equipment in order to meet demands of the people in a realistic manner. The pooling of resources is undoubtedly the only possible way this can be done in order to insure optimum benefits. It would be unrealistic and impractical for the Federal Government not to recognize this increasing demand for parks and recreation all over the Nation and the human values of them and not make every provision possible to join with local governments, cities, counties, and States in meeting the recreation and park needs of their people.

Much of the surplus property of the Federal Government, no longer required for its original purpose, would find in the leisure field of recreation and parks a utility that would result in far greater benefits to the citizens of the Nation than originally intended or imagined.

Recreation and park departments over the Nation are now in the critical stage where they must do much more about the mental, physical, and spiritual health of their citizens. This requires facilities, equipment, maintenance of them and programs. The Federal Government can, in our estimation, be of greater assistance by making its surplus property available for recreation and park purposes.

Senator GRUENING. Mr. Joseph Prendergast, executive director, National Recreation Association.

**STATEMENT OF JOSEPH PRENDERGAST, EXECUTIVE DIRECTOR,
NATIONAL RECREATION ASSOCIATION**

Mr. PRENDERGAST. Mr. Chairman, as the executive director for the National Recreation Association, I would like to support the statements just made by Mr. Jeffrey and Mr. Snyder in reference to the need of recreation and park agencies for donable property. As director of the National Recreation Association—

Senator GRUENING. Have you a prepared statement?

Mr. PRENDERGAST. No; I haven't, sir, but I will make my statement very brief.

Senator GRUENING. Let me just ask you before you proceed, how does the National Recreation Association function as distinct from the American Recreation Society, Inc., which was represented by the two previous witnesses?

Mr. PRENDERGAST. There is a very great difference between the two organizations. The American Recreation Society is the professional fellowship society of those who are professionally engaged in recreation leadership.

The National Recreation Association is a nonprofit, nonpartisan, nonsectarian, nationwide service organization. We service all the recreation agencies and some 1,800 such agencies all formally affiliated with us for service. We were formed in 1906 under the leadership of President Theodore Roosevelt, at a meeting in the White House at that time, and for over 50 years we have been serving the communities and States and national agencies in America concerned with recreation.

We are concerned with no other social problem but the problem of recreation. For example, we have had the privilege of making a survey of all the communities in Alaska on behalf of the National Park Service of what they needed in the way of recreation, and they need it very badly, sir, might I add.

We serve State and National agencies. We were municipal agencies, and we serve private agencies.

In addition to being executive director of the National Recreation Association, I do want to qualify myself to speak as a member of the Advisory Council of the Outdoor Recreation Resources Review Commission, as a member of the President's Citizens Advisory Committee on the Fitness of American Youth, and as a member of the Advisory Committee on the 1961 White House Conference on Aging.

All three fields are very important to the solution of our recreation problem today, and in all these fields there is a great need for this surplus property.

You have asked the question, Could they account for it? Yes. I am talking about the agencies, the tax-supported and tax-exempt agencies that could handle this property with full accounting to those concerned. I speak in favor of the tax-exempt agencies as well as the tax-supported agencies. And I would like to support, specifically, bills S. 1365, S. 1766, and S. 2367.

Senator GRUENING. S. 1365—

Mr. PRENDERGAST. Senator Keating and Senator Wiley. S. 1766, Senator Clark, and S. 2367 of Senator McCarthy. I have no specific examples of surplus property presently being available, but we are constantly being asked by our affiliates for help to obtain surplus property.

My point is this: Public education and public health now have the right to obtain surplus property. Public recreation should have that right today because in a particular instance in a particular community, it may very well be the public recreation agency that would be the better agency to have the properties than public education or public health. Public recreation has now achieved the same status as public education.

When you realize, for example, that there are more children killed playing in the streets of this country than are killed by any other agency, including polio and all the diseases, you can see the importance of having safe places to play.

Senator GRUENING. Have you any figures on that?

Mr. PRENDERGAST. I couldn't give you figures of how many at the moment, but I can get them for you.

Senator GRUENING. I wish you would. I think that is a very striking figure, if correct, that there are more children killed in the streets than from any other cause.

(The figures supplied for the record are as follows:)

In 1957 there were 410 children killed and 15,560 injured while playing in the streets. In 1958 there were 530 killed and 19,910 injured. In 1956, on the other hand, 121 children died from measles, 110 from polio, 36 from diphtheria, 35 from scarlet fever, 9 from whooping cough or 311 from all contagious diseases.

Mr. PRENDERGAST. Not just in the streets, but playing in the streets. That is one of the important things. Then we all know what happens to our elderly people as they retire with their long lives ahead of them, and the way they deteriorate for lack of things to do.

One of the fastest growing fields in recreation now is recreation for the aged, and these agencies that are conducting this program are not affluent agencies. They are not prosperous agencies. They are doing it on a shoestring, and they need every help they can get, and the surplus property, both personal and real property, would be a great help to them.

Senator GRUENING. Now, I wish you would elucidate a little better how your organization works with local agencies. Now, you say you made a survey of recreation in Alaska.

Mr. PRENDERGAST. Yes.

Senator GRUENING. Was it published?

Mr. PRENDERGAST. Yes. It was turned over to the National Park Service, and so far as I know it was published by them. We did it under contract for them.

Senator GRUENING. Do you remember who conducted it?

Mr. PRENDERGAST. Yes. Richard Westgate, one of our staff members.

Senator GRUENING. And how long ago was that?

Mr. PRENDERGAST. The survey was made in 1952.

Senator GRUENING. And the Park Service asked you to do it?

Mr. PRENDERGAST. Yes, sir.

Senator GRUENING. Did the Park Service pay the investigator?

Mr. PRENDERGAST. Yes, they did.

Senator GRUENING. It was done with Federal funds?

Mr. PRENDERGAST. I assume so, yes.

Senator GRUENING. This was turned over to the Park Service? Did you make a similar survey anywhere else?

Mr. PRENDERGAST. Yes. The whole State of Pennsylvania, public recreation and its administration in Pennsylvania. We make about 25 or 30 such studies each year of individual communities. We made one of Philadelphia, for example; we made one of the county of Maricopa, Phoenix, Ariz.; Fairfax County, Alexandria, Va.; and many communities.

Senator GRUENING. Now, in that case the invitation to make this survey comes from the political unit, either the State or county or communities?

Mr. PRENDERGAST. Yes, or from a citizen's group. Most of the community recreation programs of the country start as a citizens group getting together any saying, "Well, we just had a case of a child killed on the street, or the case of somebody drowning in our swimming hole. We have juvenile delinquency everywhere. What are we going to do?" Somehow they hear about the National Association, the National Recreation Association, and write to us for help. We have a staff of over 100 people. The country is divided into eight districts and all have a full-time staff representatives in each district for people to contact when their communities need help. We are supported by charitable contributions, by Community Chests, and United Funds, and voluntary contributions from corporations and foundations and individuals.

Senator GRUENING. Now, in a particular situation—let us say the surplus property is made available—who would make the decision, the decision how it was to be used?

Mr. PRENDERGAST. That would probably be the recreation or park board or commission which had been appointed by the council or the mayor, or however it was appointed. It would be an official government unit at the local, county, or State level, and they would have a budget from the taxes of that community, and they would be accountable to the community, to the city, and to the county or State.

Senator GRUENING. Then your association is endorsing these three bills, particularly as a means of getting the surplus property into recreation use, is that it?

Mr. PRENDERGAST. Yes.

Senator GRUENING. Thank you very much, Mr. Prendergast. We are happy to have your testimony.

Mr. PRENDERGAST. Thank you, sir.

Senator GRUENING. Is Dr. William Fraenkel here, of Consultant, Vocational Rehabilitation and Shelter Workshops, of National Association for Retarded Children?

Mr. Fraenkel is not here.

Is Mr. Jerry Bernstein here?

Mr. Bernstein, you are director, Occupational Training Center, Help for Retarded Children, Inc., of the District of Columbia?

STATEMENT OF JERRY BERNSTEIN, DIRECTOR, OCCUPATIONAL TRAINING CENTER, HELP FOR RETARDED CHILDREN, INC., OF THE DISTRICT OF COLUMBIA

Mr. BERNSTEIN. That is right, sir.

I would like to testify as to some of the administrative difficulties involved with obtaining surplus property. We applied for surplus property well over a year ago, and since that time we have just been entangled in what I think is redtape over this issue, and, for my part, it is very difficult to understand the basis on which some of these decisions are made as to which particular agency is eligible and which is not.

Now, we do know that certain agencies, very similar to ours here in the District, have been approved for receipt of surplus property. On the other hand, our agency in the District, and I am sure others in the country, has been refused.

Senator GRUENING. What kind of surplus property have you been seeking?

Mr. BERNSTEIN. Some small things like file cabinets—

Senator GRUENING. Filing cabinets?

Mr. BERNSTEIN. Yes; any type of office equipment, things of that sort.

Senator GRUENING. Have you been unable to get any?

Mr. BERNSTEIN. Nothing at all. That is right.

Senator GRUENING. Well, your organization in behalf of children, training them, is not that an educational organization?

Mr. BERNSTEIN. Well, this is the whole center of the problem, you see. Yes. We feel that it is. On the other hand, we have been told by people who are involved in making these decisions that we are not.

Now, because of this particular problem, I asked for and obtained a statement from Dr. Hansen, the superintendent of schools here in the District of Columbia. May I read a portion of that statement?

Senator GRUENING. Please do.

Mr. BERNSTEIN (reading) :

I feel that this center is contributing an educational and training service to the severely retarded and should be encouraged and supported in every way possible. Recognition of our approval of the work of this center is shown not only by this report, but by the fact that we refer pupils to the center whenever the school system itself cannot give them the training needed.

Now, accompanying this letter by Dr. Hansen is a report made by a Miss Pepper, who is Dr. Hansen's special assistant. Miss Pepper and Mrs. Jones, who is the director of special education in the District of Columbia public schools, visited our center, and this report was written by Miss Pepper and accompanied Dr. Hansen's letter.

For example, on page 2 of her report, Miss Pepper refers to us as a school. She says:

When we visited the school, everyone present was busy and the whole atmosphere was pleasant—

and so forth.

She goes on :

The department of pupil appraisal has referred several pupils to the workshop and thinks very highly of their work. Mrs. Jones and I are of the opinion that this center serves a very definite need in the community for training pupils to supplement the work of our schools—

et cetera.

Senator GRUENING. Now, let me ask you this: How many children do you have there?

Mr. BERNSTEIN. Right now we have 43.

Senator GRUENING. Forty-three. You have definitely requested surplus property of the Department of Health, Education, and Welfare?

Mr. BERNSTEIN. That is right. As a matter of fact, last week I spoke to Mr. Gray, who is the Chief of the Division of Surplus Property Utilization, and Mr. Gray informed me that the major problem was that, for example, in this letter from Dr. Hansen, the word

"school" was not used. Well, that is true. The word "school" was not used, and actually we made no special request that it be used, and in checking back with Dr. Hansen's office, I was informed that they were not authorized to, in any way, indicate that they give official approval or certification of any agency or organization as a certified school because they have no legal authorization to do so.

Senator GRUENING. Who said this, Mr. Hansen or Mr. Gray?

Mr. BERNSTEIN. No, Miss Pepper.

Now, Mr. Gray's point was that the word "school" was not used. But we feel that such words as "educational" and "training service," the fact that the public schools do refer pupils to us——

Senator GRUENING. Will you describe your work?

Mr. BERNSTEIN. Yes. We have essentially two programs. Rather, our program is divided into two major parts. One is a sheltered workshop type of facility and the other is an evaluation and training program where we specifically attempt to evaluate the vocational potential of a client, develop this potential, and we hope eventually to place the individual in a job in the community, and I might add that we have been very successful in doing this.

Senator GRUENING. You say you have children referred to you from the school system?

Mr. BERNSTEIN. Oh, definitely.

Senator GRUENING. Children who are retarded and cannot keep up with the regular school curricula, and therefore they come to you?

Mr. BERNSTEIN. That is right. You see, the public school system has only one school for the trainable retarded. Those are children with 50 or below IQ.

Senator GRUENING. Is this school accredited in the same way that private schools of the District are?

Mr. BERNSTEIN. You mean our place?

Senator GRUENING. Yes.

Mr. BERNSTEIN. No. It is not, because the public school system has no authority, you see, to——

Senator GRUENING. But you consider it a school in every sense of the word? A school for retarded children?

Mr. BERNSTEIN. We consider it a school in that we are providing an educational facility for these people and we are training them, and we are supplementing the work, and in some instances doing the work that the public school system just cannot do.

Senator GRUENING. What is the basis of the refusal of the Department of Health, Education, and Welfare? What did they give as their reason? They must have a specific reason.

Mr. BERNSTEIN. Well, from what I can understand from Mr. Gray, it was specifically because the word "school" was not used in this letter from Dr. Hansen.

Senator GRUENING. Is Mr. Gray here?

Mr. BERNSTEIN. Yes, he is.

Senator GRUENING. Mr. Gray, would you be kind enough to come forward and join in this discussion? We will make this quite informal.

You have heard the testimony of Mr. Bernstein. What is the position of the Department on this matter?

STATEMENT OF J. WENDELL GRAY, CHIEF, DIVISION OF SURPLUS PROPERTY UTILIZATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. GRAY. We have had two difficulties in connection with this particular institution. As I mentioned the other day in describing how we determine eligibility, we seek to establish that, first—we must, because the law says "schools"—that it is in effect a school and second, that if it is a school, that it is approved or accredited by a responsible body, and we look to the State education departments, wherever that is possible.

Senator GRUENING. In this case it would be the District of Columbia.

Mr. GRAY. The District of Columbia. And Mr. Bernstein advises me, he did the other day when we had our discussion, that the District of Columbia apparently lacks authority to approve or disapprove an institution of this kind.

Senator GRUENING. Where is such authority?

Mr. GRAY. Well, if there is no such authority in the District of Columbia, then such authority would be lacking, as far as I can see.

Senator GRUENING. Well, can you not cut the Gordian knot as the representative of the Department of Education of the Federal Government? Could you not make an administrative decision? If there is no authority, are these people destined to be suspended in a vacuum indefinitely?

Mr. GRAY. Well, we have another measurement that we use and many schools have obtained eligibility on this basis. We have said to them, in the event you cannot acquire approval or accreditation by reason of the lack of authority, if you can demonstrate that students from your school are accepted when they reach a certain point by other accredited schools, that they can move back and forth, then this would certainly be evidence that you are carrying on an approved and accredited program.

Senator GRUENING. Would it not be evidence if they are received in this institution from the school system for the purpose of training? Would not that be evidence that it is a school?

Mr. GRAY. That is certainly some evidence, yes.

Mr. BERNSTEIN. Mr. Chairman, may I say something on that point? With the type of program that we have, it is highly unlikely that we would refer any of our people to another institution, because if we are taking them at the age of 16 or over, these people, as far as the public schools are concerned, have about reached their maximum limits within the special education facilities here in the District.

Now, if we are going to work with these individuals for a few months or a year or possibly two, there is not much point in this particular kind of program to refer them to another institution. Either these people are going to be rehabilitated and placed on a job in the community or they are going to have to be put in other special—put in another type of special environment such as possibly a sheltered workshop, but these people almost never at this point go on for more extended training, because if they have not been successfully improved by this point, then most likely they are not going to be.

Senator GRUENING. Well, Mr. Gray, would you not think that receiving these pupils from the school system was a more compelling factor than what becomes of them ultimately?

Now, it is very obvious, as Mr. Bernstein says, they are deficient in being able to keep pace with the normal education system, so they come here. What ultimately becomes of them, of course, depends on how much they can be rehabilitated and whether jobs can be found for them, but I should think it would be clear that they would not be likely to be referred to other educational institutions after this. This is the end as far as their chance of being rehabilitated, and I find it difficult to understand why on a wholly technical reason this is denied them.

I think this would be a very logical place for the Department of Education to find a way to move in here.

Mr. GRAY. Well, Senator, Mr. Bernstein—

Senator GRUENING. If I am making a mistake, please clarify it.

Mr. GRAY. As Mr. Bernstein will tell you, we are continuing to explore this thing.

The other difficulty we had—Mr. Bernstein has not mentioned it, but I presume he intends to—there is a Maryland county also referring some youngsters to his institution. The thing that troubles us, the law says it must be a school, and neither the superintendent in the District nor the superintendent in this Maryland district, Prince Georges County, has been willing so far to refer to this as a school. They refer to it as a workshop, or as a training center, and we asked them specifically, well, can't you say to us—you are an educational authority—can't you say to us this in your view is a school, and they have been very reluctant to do so.

Senator GRUENING. Are we not getting down to a matter of semantics? Is not a training center a school? You do not expect to teach these children Greek, but you do teach them workshop matters. Why isn't that approval? I do not see why your Department cannot make that decision administratively.

Mr. GRAY. Well, our attorneys have told us that on the basis of the evidence submitted in this case, we cannot. This case has been reviewed by our counsel and—

Senator GRUENING. Is your attorney here?

Mr. GRAY. Yes, Mr. Hiller is here.

Senator GRUENING. I wish he would come and join this discussion.

Mr. Hiller, apparently you are the obstacle in the road here. Will you explain your process of reasoning?

STATEMENT OF MANUEL B. HILLER, CHIEF, ADMINISTRATIVE SERVICES BRANCH, OFFICE OF GENERAL COUNSEL, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. HILLER. Well, as Mr. Gray has indicated, we had great difficulty in finding that the organization met the standards and criteria which we have established under our regulations.

As you know, sir, we operate under law and pursuant to regulations which are prescribed for the purpose of implementing and carrying out the law as we see it and as we understand it. Our regulations require and define the organizations which are considered to be schools,

colleges, and universities, which terms are mentioned in the section of the act which confers eligibility, and organizations of that character are required under our regulations to be either approved or accredited by appropriate approving authorities of the State or, as Mr. Gray has pointed out, where there are no such authorities or where authorities are not legally authorized to confer approval or accreditation upon schools of a private nonprofit nature, why then the extent to which these schools receive the equivalent of approval or accreditation in the form of a recognition of their credits and their studies by other schools which are approved is considered as qualifying or alternate to the approval or the accreditation that our regulations require.

Now, it may be that in a given isolated case these standards or criteria are not all encompassing. If that be so, well, then, we just can't help the situation in the sense that our function as we see it is to carry out the act and the regulations.

Senator GRUENING. Well, is there any other school in the District for retarded children that is receiving help, receiving surpluses?

Mr. HILLER. I would not be prepared to answer that question, sir, though I do think that there is a school for retarded children that is operated by the District Board of Education itself.

Mr. GRAY. That is correct, and they would be eligible as a part of the public school system, the school system itself.

Senator GRUENING. And that other school is receiving surplus now?

Mr. GRAY. Yes. Any school that is a part of the public school system.

Senator GRUENING. Well, I should like to find out what this particular workshop is lacking that prevents it from getting this accreditation. If the District of Columbia school system cannot do it, can't you find some language, Mr. Hiller, that would make that possible? The great Comptroller General, Mr. John McCall, during the Roosevelt days, once informed me—and it has proved very useful—that if you can get language, you can do almost anything in the Government.

Mr. BERNSTEIN. Mr. Chairman, may I bring out one further point? We were talking here about approval, and for the life of me in any language I cannot understand how we are not approved, and I would also like to point out that the Prince Georges County Board of Education has authorized our agency to be paid county funds, county education funds, for each pupil that is referred to us and accepted into our program by the Prince Georges County schools.

Now, if this isn't some kind of official approval by the Prince Georges County Board of Education, I just do not know what is, because certainly these people cannot pay out tax funds which are collected for the specific purposes of educating the county's children and pay such funds to a private agency out of the county and out of the State for the education of these children. This to me is a very strong kind of approval.

Senator GRUENING. What would you say to that, Mr. Hiller?

Mr. HILLER. I am not sure that that information was presented to us.

Mr. GRAY. That information was not presented to us at the time we made our determination. It was presented to me last week, and

officially in a letter from the Prince Georges County Board of Education, which I received only Friday afternoon. That information was not available at the time we made the decision.

Senator GRUENING. Well, then, our problem is solved, is it not? You have the information.

Mr. HILLER. I would be reluctant to make a determination at this time, sir.

Senator GRUENING. Would you not say in addition to the fact that Prince Georges County supplies funds and that the District school system sends children there, is not that recognition?

Mr. HILLER. Well, I do not recall precisely the manner in which the District sends their schoolchildren to this organization. I do not believe that in sending them there they send them in the sense of supporting them and paying for their tuition or other expenses of attendance there. My understanding is that this is a referral and a recommendation to go to this organization for such services as this organization can perform on behalf of the children. But it is nothing more than a referral or recommendation.

Am I correct, sir?

Mr. BERNSTEIN. Yes; that is true, but I do not believe that the District of Columbia Board of Education has funds to purchase educational services from anybody. I do not believe that they have the same power, for example, in this situation that the Prince Georges County Board of Education does.

I might add another thing, too, that there are situations where the Board of Education feels that they have taken a given child to the maximum level that this child can reach in the public school system, and releases that child from the public schools on the condition that he come to our workshop, to our training center.

Mr. HILLER. There again, sir, is another factor which I do not recall having been informed of as of the time the problem had been presented to us for our review.

Mr. BERNSTEIN. Well, getting down to brass tacks, I just cannot imagine the Board of Education referring anybody, whether it is with payment or without it, to any place that they do not approve of. Certainly they are not going to refer a pupil or his family to a place where they feel that the child is not going to be helped, where they feel there is not an educational program, where they feel that the child cannot be furthered in his education. Certainly they are not going to do that.

Senator GRUENING. I think we agree referral is recognition.

Mr. BERNSTEIN. I would think so.

Senator GRUENING. Mr. Hiller, you would not refer a person to a lawyer or counsel unless they were trustworthy and competent in this field. If the Department of Education in the District of Columbia sends children there, refers them there, that certainly is recognition, and whether the word "school" appears seems to me highly technical and I think the Department, in view of this new information which it has just received, might make a decision that would be favorable to this institution.

Mr. HILLER. May I suggest, sir, we are always willing to review decisions that we have made, particularly where additional or new information is presented. But I am sure you will agree that we are always under surveillance, in a manner of speaking, of the General

Accounting Office, which has spoken once before on the subject of eligibility and which has limited the Department through the opinion of its Comptroller General to making donations only to those organizations specifically enumerated in the act.

And it is for this reason that we have, in a sense, insisted upon the qualification of organizations as a "school," "college," or "university," as those terms are mentioned and enumerated in the act.

Senator GRUENING. Well, you don't think it is a matter that you could change by regulation?

Mr. HILLER. No, sir. We have been advised by the Comptroller General's Office that we may not.

Senator GRUENING. You pay more attention to the Comptroller General than certain committees of Congress do apparently, then?

Mr. HILLER. Well, sir, the Comptroller General's Office is one of the arms or services of the Congress itself.

Senator GRUENING. Well, I think that the information that has just come to you concerning the attitude of Prince Georges County—I wish you would explore this referral matter a little further and the committee will follow it up and see whether you cannot give the school a few filing cabinets and whatever else they need.

Mr. HILLER. We will be very happy to review the matter again.

Senator GRUENING. Thank you very much.

Mr. BERNSTEIN, have you anything further to say?

Mr. BERNSTEIN. No, other than I feel it would be very helpful to other agencies such as our own if this whole question were cleared up. You see, there are other agencies very similar to our own who have been approved for receipt of surplus property.

Senator GRUENING. I think we have made progress this morning, and I am hopeful—

Mr. BERNSTEIN. It looks like it. I hope so.

Senator GRUENING. I hope you get what you need.

Mr. BERNSTEIN. Thank you.

Senator GRUENING. Miss Margaret Emery Assistant Chief of the Children's Bureau, Department of Health, Education, and Welfare.

And it might be useful if Mr. Dean and Mr. Gray joined you at the table here so we can have a panel discussion.

Have you a statement, Miss Emery, or are you just prepared to answer questions?

STATEMENT OF MISS MARGARET EMERY, ASSISTANT CHIEF OF THE CHILDREN'S BUREAU, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Miss EMERY. I have a brief statement concerning the program of the Children's Bureau in behalf of mentally retarded children, which I understand is one of the pieces of information the committee wishes.

Senator GRUENING. I appreciate having it. Will you read your statement please?

Miss EMERY. For several years the Children's Bureau has been giving emphasis in its program to the problems of mentally retarded children. The Bureau's concern for these children stems from its responsibility under the Basic Act of 1912 to "investigate and report upon all matters pertaining to the welfare of children and child life"

and from its responsibility in administering Federal grants, under title V of the Social Security Act, for—

- (1) Maternal and child health services;
- (2) Crippled children's services; and
- (3) Child welfare services.

The Bureau's specialists in mental retardation working with the staff in the central and regional offices are focusing on three principal areas of activity.

First, fact gathering and reporting: In cooperation with other Federal and national agencies, professional and parent groups, the Bureau is attempting to pool information about the needs of mentally retarded children and to disseminate this through publications, conferences, institutes, and consultation.

The Bureau's latest publication relating to mentally retarded children is a manual, "The Mentally Retarded Child at Home."²¹ It was prepared in response to requests not only from parents of retarded children but also private physicians who felt that many parents need a concrete guide in helping their children grow and develop. Another recent publication is "The Child Who is Mentally Retarded."²² This is one of a series of folders for parents, written in popular style, which gives some practical suggestions to parents and describes some of the community agencies and national groups to which parents may turn for help with their individual problem.

Second, technical assistance: The Bureau makes available consultation services to the States for program planning and development in behalf of the mentally retarded. Technical assistance is also provided for staff training and development, professional education, cooperative studies, research and special demonstrations of services.

Third, financial aid to the States: Through grant-in-aid funds available under title V of the Social Security Act, the Bureau encourages the extension of existing services to mentally retarded children, and assists the States in establishing community demonstration projects.

Under the maternal and child health services program, and under each of the appropriation acts since 1957, Congress has earmarked \$1 million to be used only for special projects for mentally retarded children. At the present time, 30 States have special project grants totaling \$1.3 million, and 14 other States have programs financed by regularly apportioned Federal funds and State and local funds. The total budget for these 44 programs is approximately \$2 million. These are pilot projects which usually include 1 clinic where no more than 200 to 300 children a year can be accepted.

These projects are for establishing diagnostic, guidance, and evaluation clinics and centers, and demonstration projects for mentally retarded children particularly younger severely retarded children, and for training centers and programs for professional workers.

Under the crippled children's services program, despite the fact that there are more requests for services than there are funds to meet them, it has been possible in several States which had laws or regulations which excluded mentally retarded children to effect changes so that now all the children having the specified crippling conditions,

²¹ Marked "Exhibit 3" and retained in the files of the subcommittee.

²² Marked "Exhibit 4" and retained in the files of the subcommittee.

including mentally retarded children, can receive treatment irrespective of any retardation.

Under our third grant-in-aid program, the child welfare services program, Federal funds are contributing directly in extending and strengthening State and local child welfare programs, which carry responsibility for services and care to mentally retarded children along with other children with special needs.

In a few States, State public welfare agencies are using Federal funds for special services to meet the needs of mentally retarded children, such as advisory committees giving special attention to the needs of this group; special studies of individual mentally retarded children; and licensing child care facilities for mentally retarded children.

That concludes my prepared statement, Mr. Chairman, and I would be glad to answer questions on this or any other aspects the committee wishes to consider.

Senator GRUENING. Well, you have heard the discussion that took place this morning on the subject of this workshop here. Of course, I think that it is obvious that retarded children should be the object of our very special solicitude, and I wonder how many cases, how many institutions, are like this one which for some technical reason, or maybe a justified reason or not, is excluded from participation.

Now, we have the testimony of the Administrator of Surplus Property from Texas that there were in that State some eight institutions for retarded children and they are all receiving surplus property from the State. Now, that would seem to be a desirable condition everywhere.

Have you any information of whether that obtains generally in the States? Apparently there is this difficulty in the District.

Miss EMERY. No. The Children's Bureau does not compile any statistics showing the types of numbers of institutions for mentally retarded children. We do refer to a directory that has been prepared, but Dr. Mackie from the Office of Education, who is also here, has the only statistical information that I know of that is compiled in the Department.

Senator GRUENING. Is she here?

Miss EMERY. Yes.

Mr. GRAY. I think it might be helpful to have Dr. Mackie join the discussion here.

Senator GRUENING. We will have this looking like "Meet the Press" before long.

Will you give your name and position?

STATEMENT OF DR. ROMAINE P. MACKIE, CHIEF, EXCEPTIONAL CHILDREN AND YOUTH, OFFICE OF EDUCATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Dr. MACKIE. I am Romaine Mackie. I am Chief, Exceptional Children and Youth, in the Office of Education.

I came without a prepared speech, but for questioning. However, I have some notes and I would like to say that the Office of Education program for mentally retarded children is a part of a program we call a program for exceptional children, including all those who have

unusual educational needs because of a physical limitation, a mental limitation, a serious social or emotional problem. We are also somewhat concerned with gifted children, but we do not lay exclusive claim to responsibility for them.

We are moving in three main directions in trying to assist in the development of programs for all of these children.

One is to bring about an extension and improvement of programs at the local level and working mainly through States. Another is to do something to meet the problem of the teacher shortage. And the third is to secure more information scientifically tested (research) about instructing these children.

Now, in that general framework I might report that we do collect statistics on enrollments of children and also on numbers of teachers. Unfortunately, the statistics that we are just now preparing are not available yet, but within a few weeks we will be able to supply for you and others more recent figures on enrollments. The latest we had were for 1952-53. At that time there were 1,244 public school places or systems reporting special classes for mentally retarded.

Now, these are day school provisions, and sometimes they are special schools, but more frequently they are classes in regular school systems, but special classes in regular school systems. The total enrollment of pupil then was 113,565 in the day schools, and the total number of teachers was something more than 7,000; 47 States and the District of Columbia reported public school classes for the mentally retarded.

We also are compiling at present the statistics on the residential schools, and we have found, according to our mailing list about 200 institutions for mentally retarded that have schools, and in our new statistics we will be able to give you the number of children and number of teachers.

Now, we know there has been considerable growth in this field within these past 5 or 6 years. Previous to about 1950, most of the public school provisions were for children that we sometimes called educable. Probably these terms, "educable" and "trainable" are very misleading, because they do not separate two completely different kinds of children. But we know there has been a great deal of extension in provisions for the more severely retarded within recent years, so our statistics which are collected according to the educable and trainable will probably reflect this growth.

Senator GRUENING. Would you consider that an institution for retarded children that has been purely custodial or largely custodial, in a case when it is training eligibles under the provisions?

Dr. MACKIE. Well, I don't know that I ought to talk on this point. This has been pretty thoroughly discussed by others more responsible for eligibility.

We collected statistics from about 200 institutions that gave evidence of being schools, and by that we infer that they had professional staffs there to do teaching of children.

In this country we now have a rather extensive opportunity for the professional preparation of teachers. There are at least 40 colleges offering preparation for teachers in the field of mentally retarded, so it is now possible to secure some professionally trained

educators. We have a very serious shortage. We probably do not have more than a quarter of the needed number of teachers.

Senator GRUENING. Well, perhaps Miss Emery could answer this question. In an institution for retarded children, you would necessarily give attention to either education or health or both, would you not? Otherwise what would the institution be doing unless you are purely custodial, and I can't imagine that there would be such.

Miss EMERY. I think that is correct, Mr. Chairman. They would be giving attention to the health and educational needs of individuals insofar as the individuals were able to utilize formal education. Of course, there is wide variation in the institutions. Some of them care for very grossly defective youngsters.

Senator GRUENING. Well, I think this committee—I can only speak for myself—but I think this committee would be interested in seeing to it that all retarded children got equal treatment in the matter of surplus, and that purely technical objections would somehow be overcome so that when this study is completed, which you think will be in a few weeks, we should be in a position to know just what schools there are in the country for retarded children and which ones, if any, are benefiting from the surplus program under the provisions of law and which ones, if any, are not. And I think it would be helpful if we could get that information as soon as it is available.

Dr. MACKIE. Now, we will have a list of schools. It will be a list of public-school systems and the list of private and public residential schools. We may have missed some, but we have made an effort to get all of them, but we wouldn't know whether they are receiving surplus property.

Mr. GRAY. Senator, might I comment that for the schools operated by the public school system, there would be no question as to their eligibility. The public school system itself is eligible. So those 1,244 schools which were shown in the last survey, all would be eligible. The only ones in question would be the nonpublic.

Senator GRUENING. The private schools would not necessarily be eligible?

Mr. GRAY. They would not necessarily be. They would have to establish eligibility on the basis of our law and regulations.

Senator GRUENING. Some of these private schools are presumably schools that are well endowed to which children of well-to-do parents go, retarded children, schools which would not necessarily need this help; isn't that possible?

Mr. GRAY. That is possible.

Senator GRUENING. And what I was thinking of in particular was an institution represented by Mr. Bernstein where they apparently were in need and I would think perhaps technically disqualified but perhaps morally eligible, and I think that is a "no-man's land" that we ought to try to eliminate if we can. And I think that when you get this information to the committee, as soon as it is available, we will be in a better position to appraise it, and meanwhile if the Department would go ahead and pursue this as best it can we may have some final answers as to what the situation will be in this field.

Mr. Dean, you are with the Office of Vocational Rehabilitation. How does that system work now? What are your functions as far as the vocational rehabilitation program in the country is concerned?

STATEMENT OF RUSSELL J. N. DEAN, CHAIRMAN, POLICY PLANNING AND LEGISLATION STAFF, OFFICE OF VOCATIONAL REHABILITATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. DEAN. Mr. Chairman, as you suggested earlier, I do have a statement which I will submit for the record, if you would like.

Senator GRUENING. Well, I think it might be well if you would read it. Is it very long?

Mr. DEAN. It is five pages.

Senator GRUENING. I think it would be useful. Do you have copies?

Mr. DEAN. I would be very happy to provide copies.

Shall we proceed, Mr. Chairman?

Senator GRUENING. Yes. Please do.

Mr. DEAN. I am happy to testify, at the committee's request, in connection with the several legislative proposals before the committee for amending the Federal Property and Administrative Services Act of 1949, as it relates to donable property. Since none of these proposals bear directly upon the Office of Vocational Rehabilitation, I am providing for the committee some background data on the Federal-State program of vocational rehabilitation, the services, facilities and programs involved, and the various disability groups served, with particular reference to those who are mentally retarded.

Since 1921, the Federal Government and the States have been partners in conducting a program of services to prepare disabled men and women for useful work and place them in suitable jobs. I should point out here, Mr. Chairman, that this program is aimed at adults (of working age or near it) and is not designed to serve children; by law, working age in most States begins at 15 or 16.

I might insert here, Mr. Chairman, that this probably accounts for our involvement in the particular interest of the committee at the moment, since we do deal rather extensively with the teenage group.

Under the original Federal act, the services provided were confined, for the most part, to counseling the disabled person, providing training for a job, artificial limbs and appliances, and placement. In 1943, major changes in the law were enacted, including the widening of the range of services to authorize physical restoration (medical and related) services, where the disability could be eliminated or reduced, and also providing for rehabilitation of the mentally ill.

In 1954, the act was greatly broadened by introducing special grant programs to extend and improve State agency services; by the establishment of a research and demonstration program to develop new knowledge and methods in rehabilitation; by provisions for a training grant program to stimulate the training of more professional personnel in the several groups which constitute rehabilitation today; by improvement of the Randolph-Sheppard provisions for vending stands operated by blind persons; and by other features. In addition, the Medical Facilities Survey and Construction Act of 1954 (Public Law 482) amended the Hill-Burton Act to authorize Federal grants to help construct rehabilitation facilities. The latter, plus provisions in the 1954 Vocational Rehabilitation Act Amendments, authorizing grants to expand, alter, equip, and staff rehabilitation facilities, pro-

vided Federal support for the first time to help increase the number and capacity of these special facilities for handicapped people.

It is my understanding, Mr. Chairman, that the committee is interested in the programs, facilities, and services currently provided for various disability groups, including especially those who are mentally retarded. In our program of vocational rehabilitation we have been and are deeply interested in the extension of services and the improvement of our services to the mentally retarded group. This interest has been accentuated during the last 3 or 4 years as community and State voluntary organizations have themselves demonstrated a sharp increase of interest and activity since we feel an obligation to be responsive to the needs of disabled people, their families, and friends.

We have, therefore, given special emphasis to certain disability groups, including the mentally retarded, in our work with the State vocational rehabilitation agencies which provide services to these people and others who are disabled. There also has been a substantial increase in the number of research projects undertaken through our research and demonstration grant program, some of them carried out through universities, others undertaken by local and State groups devoted exclusively or principally to the interests of the mentally retarded.

In order that the committee may have an idea of the increases in the number of disabled people rehabilitated by type of disability during the last few years, I am attaching to this statement a short table reflecting the numbers rehabilitated (which includes placement in employment).

(The table referred to follows:)

ATTACHMENT NO. 1.—*State-Federal program of vocational rehabilitation—Rehabilitants by selected types of disability—State programs*

Disability at acceptance	1956 ¹	1957 ¹	1958 ¹	Estimated	
				1959	1960
Blind	3,765	4,005	4,007	4,421	4,853
Visual other than blind	3,630	3,768	3,908	4,312	4,733
Poliomyelitis	3,120	3,286	3,236	3,571	3,919
Paraplegia	634	678	663	732	803
Epilepsy	1,374	1,521	1,543	1,703	1,869
Mental retardation	756	1,094	1,578	1,741	1,911
Psychosis and psychoneurosis	2,192	2,796	3,221	3,554	3,901
Other mental and nervous system disorders	628	840	1,076	1,187	1,303
Pulmonary tuberculosis	7,045	6,825	6,278	6,927	7,603
Cardiac	3,040	3,444	3,943	4,351	4,775
Multiple sclerosis	169	217	250	276	303
Cerebral palsy	783	893	944	1,042	1,143
Arthritis	1,895	2,132	2,148	2,370	2,601
Diabetes	899	1,031	1,104	1,218	1,337
Deaf	1,278	1,494	1,324	1,461	1,603
Hard of hearing	2,945	3,193	3,479	3,839	4,213
Speech defects	988	925	931	1,027	1,127

¹ Partially estimated.

ATTACHMENT No. 2.—*Federal funds expended or obligated for rehabilitation—Facilities and workshops since 1954*

Public Law 565:

Secs. 2 and 3	1	\$3, 891, 530
Sec. 4(a)(1)	2	222, 330
Sec. 4(a)(2)	3	2, 714, 599
 Total		
Public Law 482	2	6, 828, 459 21, 146, 715
 Grand total		27, 975, 174

¹ Through June 30, 1958.² Through June 30, 1959.³ Authorization expired June 30, 1957.

Mr. DEAN. Since the table shows only selected disability groups, I should like to point out that during the fiscal year 1957 a total of 70,940 persons were restored to activity and usefulness and placed in jobs. In 1958 this increased to 74,317. We expect the total for the fiscal year just ended to exceed 80,000.

The committee may be interested in current activities of our Office pertaining to rehabilitation facilities and workshops for disabled people. There has been a great upsurge of interest and activity across the country in recent years as more professional people, community leaders, and families have grasped the possibilities of achieving rehabilitation through modern centers and workshops. Some of these, such as those aided through the Medical Facilities Survey and Construction Act, are predominantly medical in character and usually function as part of, or in close relationship to, a medical school, teaching hospital, or other medical institution. Others are operated more nearly as separate community resources, used by a variety of public and voluntary groups and agencies involved in securing rehabilitation services for the handicapped. In several States the State vocational rehabilitation agency operates a rehabilitation center or a workshop or both; however, the majority of such resources today are not operated by public agencies.

A rather comprehensive analysis of 77 rehabilitation centers in this country was published this spring by our Office.

Mr. Chairman, I refer to this publication, which is a rather thick one, and which I will be happy to make available to the committee if you would like it.

Senator GRUENING. We will incorporate that into the record by reference only.²³

Mr. DEAN. We have additional data covering a large number of centers, but which is not in the nature of any analysis.

While we have gathered considerable information on rehabilitation centers for disabled persons generally, we have not made separate surveys of rehabilitation facilities which serve only one type of disability, such as mental retardation. We know that quite a few such facilities, devoted solely to the mentally retarded, do exist and a number of them have been developed in the last 3 years or so. However, a survey of these would, in fact, reach only a relatively small proportion of those receiving rehabilitation center or workshop services,

²³ The publication entitled "Rehabilitation Centers Today" marked "Exhibit 1" is on file with the subcommittee.

since so many mentally retarded persons presently receive services through multidisability facilities, or through facilities which may be primarily aimed at another disability, such as cerebral palsy.

To illustrate some phases of the expansion in our work for the mentally retarded: 2,091 mentally retarded persons were rehabilitated by the State agencies during the 6-year period ended in 1950. During the succeeding 6 years, 3,628 were rehabilitated. On an annual basis, 1,094 were rehabilitated in 1957; 1,578 in 1958; and we estimate that about 1,750 were rehabilitated in the fiscal year just ended.

Support has been given to training State agency staff in special rehabilitation counseling methods for the mentally retarded. A publication, "The Sheltered Work Shop: A Community Rehabilitation Resource for the Mentally Retarded," has been issued which serves as a helpful guide to communities interested in developing such workshops. A number of State rehabilitation agencies have given financial support to community groups in establishing centers and workshops for the mentally retarded. Through our research and demonstration program, grants for research investigations and selected demonstration projects have totaled well over a million dollars during the past 5 years.

I trust, Mr. Chairman, that the information I have furnished will assist the committee and I assure you that the resources of our Office will be at your disposal for any further inquiries you may wish to make.

SENATOR GRUENING. Thank you very much, Mr. Dean, for making the statement.

Are these workshops eligible for surplus property? Workshops for the blind, for the retarded?

MR. DEAN. I believe, Mr. Chairman, that the answer here is substantially the same as we have had in earlier testimony this morning. I have had many discussions with the officials in the Department, including the Division of Surplus Property, on this subject, and it does seem to all narrow down to the basic question which Mr. Gray and the others have mentioned this morning. Specifically, whether or not the institution totally or partially meets the requirements set forth as to what is a school or what is a health facility. If it does, they qualify.

SENATOR GRUENING. Well, Mr. Gray, do they qualify or do they not?

MR. GRAY. Well, the answer again is many of them do and some of them do not. It all depends on how they operate. Many of them have been able to qualify as a clinic or a medical facility or as a school, depending on the nature of their program, and measured against our standards. Do they have qualified professional staffs? Are they approved or accredited? And so forth.

MR. DEAN. I might make this observation, Mr. Chairman, if I may. To the extent that such centers and workshops are operated by State agencies, where they are operated by the general vocational rehabilitation agency, they ordinarily are located within the State department of education or State department of public instruction within the State, and therefore they automatically qualify. Some of them, particularly those centers and workshops—and there are not very

many of them, I might add—operated by the vocational rehabilitation agencies for the blind usually are located in the State department of public welfare or a separate commission for the blind. Therefore, the automatic nature of their eligibility doesn't apply. They fall into another category.

Senator GRUENING. What is the other category?

Mr. DEAN. They fall into a separate category because they are not organizationally a part of the State department of education.

Senator GRUENING. I find it difficult to conceive, however, a rehabilitation center, whatever its status, that wouldn't qualify under the health provisions. Here are people who are injured, crippled, either congenitally or through disease or accidents subsequently. Why isn't that a medical problem and a health problem?

Mr. GRAY. It is a medical problem. The question is what are they doing about it? Are they actually operating a clinic or a hospital or a medical institution—some of them, I might say, we found to have a primary function of providing a counseling service and they are referred elsewhere for the medical service. They are referred elsewhere for the treatment and also for the education. This term "rehabilitation facility" is a very broad term, as I am sure Mr. Dean will agree. It is applied to many things.

Senator GRUENING. You mean there are rehabilitation centers where they merely counsel them to go elsewhere?

Mr. GRAY. Yes. There is that type of institution where they do an evaluation job.

Senator GRUENING. That is scarcely a rehabilitation center. It is a placement center.

Mr. GRAY. I don't know that they call themselves necessarily a rehabilitation center. They call them certainly a rehabilitation activity. Russ, do they call some of those centers?

Mr. DEAN. I doubt if there exists anything which calls itself a rehabilitation center which confines itself to counseling. But I think the point Dr. Gray is making on the lack of breadth of medical service rendered directly by the facility raises a question as to whether or not they qualify.

Mr. GRAY. I might point out that there have been bills before the Congress on numerous occasions that would make rehabilitation centers *per se* eligible to receive property. None of these bills has been passed by the Congress. So we are left with making a determination under the existing law which does not include rehabilitation centers, *per se*, but does include medical facilities and schools, colleges, and universities, and so forth.

Senator GRUENING. I think we should go through the same procedure that we are going through with retarded children. I would like to get from the Department, if it could be made available, a list of rehabilitation centers and a statement as to which are and which are not eligible for surplus property.

Now, you can see the situation developing here, that if the Department of Health, Education, and Welfare is assuming a rather narrow technical approach in a field that in all commonsense would presumably be eligible for this aid, the pressure and the indications to extend eligibility for surplus to many other agencies is certainly going to grow.

But this is very close to your own field. I mean in these rehabilitation centers there are people who are injured, who are crippled, and if anything goes on there that it isn't either health or education, it would be very difficult to imagine how they exist at all. I can't conceive of a rehabilitation center being purely advisory. If it is, it shouldn't be so labeled.

On the question of the blind, are the centers or schools operated differently because of the nature of the deficiency? I mean that education for the blind, of course, is a special field.

Mr. GRAY. Senator, I might comment that to the best of my knowledge the blind schools are having no difficulty. Almost every State has laws providing for their approval or accreditation and the blind schools are receiving, or are eligible to receive surplus property. I don't think we have had any real problem with blind schools. That is quite a highly developed special school field.

Senator GRUENING. Yes, it is.

Dr. MACKIE. There are increasing numbers of children in day schools who will also be eligible. Special day school classes are very much on the increase for blind children. I believe that about half of the number now may be in day schools. We again will have statistics on this which we will be glad to supply at a future date for the subcommittee files.

Senator GRUENING. They would be very useful.

What about the children with limited vision, not totally blind, necessarily, but of sufficiently limited vision so that they are laboring under great handicaps? Is there some special provision for that?

Dr. MACKIE. Yes. We will have statistics on the number of partially seeing children. They are mainly in day schools.

I would like to supply for the record also some documents which I have with me, and I might like to mention one other place where a good many young people, mentally retarded, are getting some help. These children may not show up in our statistics because a number of high schools now are attempting to work out some kind of cooperative opportunities for work situations. We made a study with the Office of Vocational Rehabilitation and the American Association on Mental Deficiency on the opportunities for gainful employment for mentally retarded youth, and we identified some 50 school systems that have some kind of a work program. We will have a manuscript on this. It is now in the press, and we will be glad to make that available. This shows something of the way communities are cooperating to provide for these young people.

(Additional statement of Dr. Mackie, later submitted for the record, is as follows:)

SOME FACTS ON EDUCATION OF MENTALLY RETARDED CHILDREN AND YOUTH

(By Romaine P. Mackie)

There are estimated to be between 1 million and 1.5 million retarded children and youth of school age in the United States.

The Office of Education is now compiling statistics on the numbers of mentally retarded children enrolled in special classes in the public day and public and private residential schools in the United States. The number of teachers is also being compiled. On the basis of preliminary data it is evident that there will be an increase over the numbers of pupils and teachers as reported in the "Statistics of Special Education" for the school year 1952-53. It appears that there

will be an increase in the number of different public school systems having a special program, as well as the numbers of pupils and teachers, over the number of school systems operating programs in 1952-53.

There were 1,244 different public school places reporting special classes for the mentally retarded.

The total enrollment of pupils was 113,565.

The total number of teachers was 7,067.

Forty-seven States and the District of Columbia reported public school special classes for the mentally retarded.

Comparable statistics for public and private residential schools were not compiled in 1952-53, but are being compiled for the new edition. The present returns indicate that there are about 200 public and private residential schools that have an educational program. Forty-seven States have residential schools for the retarded.

In 1953-54 there were about 40 colleges offering a sequence of courses for the preparation of teachers of retarded children.

Dr. MACKIE. We are submitting for the record copies of the following publications which have bearing on the information being sought here:²⁴

“College and University Programs for the Preparation of Teachers of Exceptional Children,” by Romaine P. Mackie and Lloyd M. Dunn (Office of Education Bulletin 1954, No. 1).

“State Certification Requirements for Teachers of Exceptional Children,” by Romaine P. Mackie and Lloyd M. Dunn (Office of Education Bulletin 1954, No. 13).

“Teachers of Children Who Are Mentally Retarded,” by Romaine P. Mackie, Harold M. Williams, and Lloyd M. Dunn (Office of Education Bulletin 1957, No. 3).

“Statistics of Special Education for Exceptional Children,” 1952-53, chapter 5 of “Biennial Survey of Education in the United States—1952-54,” by Mabel C. Rice and Arthur H. Hill.

Mr. DEAN. Mr. Chairman, you mentioned the blind, which is particularly pertinent here in connection with sheltered workshops. I suppose if one were to pick out three groups, there are probably three groups that, today, are more widely involved in workshop operations than any other. That is the blind, the cerebral palsied, and the mentally retarded.

And to the extent we have had much correspondence of inquiries on the question of surplus property, it primarily comes from those three groups.

Senator GRUENING. Our next witness is Dr. William A. Fraenkel, consultant, Vocational Rehabilitation and Sheltered Workshops, National Association for Retarded Children.

I would like to suggest while we are on this general subject that you all stay there so that we can continue this in the form of an informal discussion when questions arise.

Dr. Fraenkel, do you have a written statement?

Dr. FRAENKEL. Yes, I have, Senator.

Senator GRUENING. Have you any copies?

Dr. FRAENKEL. I regret that I do not. I worked over the weekend on it, and I only have this one copy which I will read for the record.

Senator GRUENING. You may proceed, Doctor. We would like to hear what you have to say.

²⁴ The publication marked “Exhibit 2 a, b, c, and d” have been retained in the files of the subcommittee.

STATEMENT OF DR. WILLIAM A. FRAENKEL, CONSULTANT, VOCATIONAL REHABILITATION AND SHELTERED WORKSHOPS, NATIONAL ASSOCIATION FOR RETARDED CHILDREN

Dr. FRAENKEL. I regret being late.

Senator Gruening, we wish to thank you in behalf of the National Association for Retarded Children, Inc., for this privilege of testifying on S. 1365 which would amend the Federal Property and Administrative Services Act of 1949 to authorize the disposal of surplus property to certain welfare agencies.

We regret that our attendance at the First International Conference on Mental Retardation held in Portland, Maine, prevents us from having our volunteers appear to testify in behalf of this act. We have asked our consultant on vocational rehabilitation and sheltered workshops, Dr. William A. Fraenkel, to take time from his nationwide consultative work to be here today to present testimony in our behalf.

The foregoing is a letter signed by Vincent J. Fitzpatrick, Secretary, and Gunnar Dybwad, executive director of the National Association for Retarded Children, Inc.

This is a rather lengthy statement, Senator. It is about 20 pages, if I were to go through it.

Senator GRUENING. Why don't you summarize the highlights and then submit it for the record. We have had a good deal of discussion on the subject, the benefit of which you have not had.

Dr. FRAENKEL. I have some examples I think that might clarify some of the discussion as to why we feel rather than amend the act, we rightfully belong within the current act.

Senator GRUENING. That seems to be the trend of most of the testimony this morning, or at least it is a subject for discussion and further exploration for the Department.

Dr. FRAENKEL. I have an example.

Senator GRUENING. Please give it.

Dr. FRAENKEL. Example A would be workshops.

An example is a situation in San Francisco, Calif., where we have a vocational rehabilitation center which has twice been "approved" as its instructional standards met those required in the State for such services, in this case vocational rehabilitation. It has been consistently denied surplus property even though the approving agency is the Department of Education of the State of California, in this case the Vocational Rehabilitation Service which is also a subdivision of the Department of Health, Education, and Welfare.

On the one hand this vocational rehabilitation agency which is serving the mentally retarded adult in San Francisco is approved for a Federal grant from the Office of Vocational Rehabilitation under the Department of Health, Education, and Welfare, but is denied surplus property by another division within that same Department of Health, Education, and Welfare.

This vocational rehabilitation center provides a preliminary diagnostic workup and receives on those retardates admitted to the program, a medical report, social case study, educational report and psychological report. It provides both individual and group therapeutic vocational counseling.

This program offers vocational training, job placement, and community followup.

This vocational rehabilitation center in San Francisco, Calif., has as its director a Ph.D. and other qualified professional staff members. The other staff members' degrees run from a B.S. to a M.D.

They have in addition on their advisory committee some of the top people in the State of California representing medicine, labor, education, and rehabilitation. They meet all of the criteria established under the law as such law refers to eligibility, yet they have been consistently denied the acquisition of Federal surplus property.

Finally, this vocational rehabilitation center which is currently receiving a Federal grant which has research as one of its functions and which has been awarded to: (1) Accelerate vocational rehabilitation services to severely disabled persons; (2) Provide for prompt and widespread application of knowledge and experience acquired in the Office of Vocational Rehabilitation Research Grant Program; and (3) Test, insofar as possible, the application of the research findings under varying circumstances in different parts of the country, still is denied Federal surplus property.

I have reference here, Senator, to the parts of the bill that we feel it applies to. Shall I pass that?

Senator GRUENING. No. Go ahead.

Dr. FRAENKEL. Include it?

Senator GRUENING. Yes, please.

Dr. FRAENKEL. In summing up we would like to refer to title 45, Public Welfare; Subtitle A—Department of Health, Education, and Welfare, General Administration; Part 13—Allocation and Utilization of Surplus Personal Property for Educational Public Health and Civil Defense Purposes Amendment.

Under section 13.1: Definitions (c):

"Approved" means recognition and approval by the State department of education, State department of health, or other appropriate authority with respect to an educational institution, such approval must relate to academic or instructional standards.

Does not this vocational rehabilitation center meet the criteria for "Approved" under this act?

We submit that example A just given meets the criteria under section 13.1, Definitions.

Senator GRUENING. I might interrupt at this point to ask Mr. Gray for his comments on that.

Mr. GRAY. Of course, I do not have their application before me. Let me say this: If they have the approval of the State department of health and the State department of education as a medical institution and as a school, it seems to me they would have been found eligible.

Now, you didn't indicate to me that they have had that approval. If they have that approval, that is what we rely on.

Senator GRUENING. Do they have that approval, Dr. Fraenkel?

Dr. FRAENKEL. They do not have approval. We want to go further and submit that they have been denied approval and haven't been told why.

Senator GRUENING. Your problem there is with your State agency?

Dr. FRAENKEL. Apparently it is a State agency, yes.

Senator GRUENING. That is, they are the ones who have refused to recognize you.

Dr. FRAENKEL. I have the letters with me and I believe that is what it was.

Senator GRUENING. Do you do training there?

Dr. FRAENKEL. Yes, sir. They do a vocational evaluation as to whether or not this man can be employed for a reasonable period of time after training. They evaluate his adjustment to work, his readiness for work, which is followed up with the actual vocational training. This to us is an extension of education (in this case for the retarded). They go further and do job placement and followup in the community.

They are also engaged, as I mentioned, in research.

Senator GRUENING. Well, if your obstacle there is your State administration, isn't that the place where you should first present your case? I am not saying it shouldn't, but I am wondering whether the Federal Department of Health, Education, and Welfare should overrule or should supersede the judgment of the State agency or the State administration.

I am making this in the form of an inquiry. What is your opinion on that subject?

Dr. FRAENKEL. Here you have me, Senator, on a very technical one. I wouldn't have the answer.

Senator GRUENING. Well, I don't know that it is so technical. I mean, it is an attempt to render unto Caesar the things which are Caesar's. If your State won't recognize you, how can you expect the Federal Government to do so?

Dr. FRAENKEL. It might be because the States are not too clear themselves on the interpretation. I am not sure.

Senator GRUENING. Probably it is an educational problem that should be referred to another part of the Department of Health, Education, and Welfare. I think this would be an interesting thing to look into and see just what the difficulty is back there.

Mr. GRAY. We certainly will do so.

Senator GRUENING. There is no reason why there shouldn't be a meeting, or an attempt to arrive at a meeting, of the minds between the State and Federal agency, and see just what the difficulty is, because it seems very clear to me that even if specific legislation to include rehabilitation centers had been asked for and not granted, it does not preclude the Department from treating these as what they are. If they carry out their functions, they are agencies engaged in physical and mental rehabilitation, and that is certainly in the field of medicine and health and also in the field of education to a lesser degree perhaps.

Go ahead, Mr. Fraenkel.

Dr. FRAENKEL. I have additional information on these educational-health institutions.

We felt it also meets the criterion for health centers, as under 13.1, Definitions (p). Here it means an approved facility utilized by a health unit for the provisions of public health services, including related facilities such as laboratories and clinics.

We went further and said that it met the same definition for a school, under "Title 45—Public Welfare; Subtitle A—The Department of Health, Education, and Welfare; General Administration; Part 12—Disposal and Utilization of Surplus Real Property for Edu-

cational Purposes and Public Health Purposes." This goes much further in the definition and it appears under (f), that only those activities devoted to academic, vocational, or professional instruction, or organized and operated to promote and protect the public health, are eligible.

Examples of such eligible activities are universities, colleges, junior colleges, junior or senior high schools, elementary schools or school systems, vocational or specialized schools, research activities—these last two certainly we feel under the letter of the law—

Senator GRUENING. What is the provision of law to which you refer? Has that to do with surplus property?

Dr. FRAENKEL. Yes, sir.

Mr. GRAY. Senator, if I may interrupt, he is quoting from our regulation, and I believe the one he just quoted is the real property regulation. I think it has been brought to the attention of the committee that there are some differences in the wording of the law on real property and on personal property.

I believe he is quoting from the real property provisions there.

Senator GRUENING. You are not concerned with real property, are you?

Dr. FRAENKEL. Yes, sir. We are concerned with both.

Senator GRUENING. Go ahead.

Dr. FRAENKEL. Well, this is all in for the record and I thought I would just jump past and sort of summarize why we are taking the time to describe example A, the case of a vocational rehabilitation center being denied eligible to receive real and/or Federal surplus property because there are currently in operation some 17 such projects across the country.

Four of these projects, to our current knowledge and information, have been approved and have been declared "eligible" and are receiving said property. These four are in the States of Delaware, Louisiana, Maryland, and Texas. The balance of the selected research demonstration projects are serving the mentally retarded in the States of Missouri, Washington, Colorado, Rhode Island, Georgia, Illinois, Pennsylvania, Alabama, Tennessee, Ohio, and Virginia.

These centers, to our knowledge, are not receiving surplus property. On the one hand we have them receiving said property and on the other hand not.

Senator GRUENING. Let me ask you, what agency—you are from the State of California?

Dr. FRAENKEL. No. New York, representing the National Association for Retarded Children.

Senator GRUENING. What agency there would make the decision as to whether you are eligible or accredited?

Dr. FRAENKEL. I imagine Mr. Gray can answer that better than I.

Senator GRUENING. I am talking about your State agency.

Dr. FRAENKEL. I imagine it is the agency that dispenses this property. We have a listing of them. If we do not have the information, we can get it; but I think I have it.

Mr. GRAY. There are two things involved here. The State agency for surplus property would be the one to make the initial determination of eligibility based on the information submitted by the institution. However, in making this determination the State surplus prop-

erty agency would need a certification from the State department of health if they are applying as a medical facility, or from the State department of education if they are applying as an educational facility.

Now, if they submit an application without those certifications, we would—the State agency would have to go back to them and point out that they must have some evidence of approval of accreditation by the responsible State agencies, which would be health or education. And I think that may well be the key to this situation.

I don't know without examining the specific cases, but if the State health department in California is unwilling to say that in its view this is a clinic or medical institution, we would accept the statement of the State health department.

Dr. FRAENKEL. I have the answer in part, Senator. In the correspondence which was dated August 14, 1958, from the workshop director, it says:

DEAR DR. FRAENKEL: With reference to your bimonthly report of Sheltered Workshops and Vocational Rehabilitation Committees of August 1958, we would like to say we have recently been denied an opportunity to acquire Federal surplus real and personal properties under the Federal Property and Administrative Services Act of 1949, Public Law 152, 81st Congress. The application was reviewed in Sacramento and in Washington, and the outcome was that the work training center did not qualify under the regulations.

The problem arose as to whether we would be classified properly as a "health program" or an "educational program." Apparently, the work training center does not qualify under either category. We wish that this matter could be reviewed since we believe that this makes it such a narrow interpretation that no sheltered workshop could possibly be eligible.

We would appreciate further discussion on this subject at your earliest convenience.

DR. ELIAS KATZ

And I went out there to find out more about it.

Senator GRUENING. But you got no favorable response?

Dr. FRAENKEL. No, sir.

Senator GRUENING. Well, we will have copies of the statement made so that the Department of Health, Education, and Welfare may have the benefit of it before it is printed, and we will ask them to look into it further. I think your difficulty is at the State level, Dr. Fraenkel. And I think that the Department is probably justified in taking the position that unless the State authorities certify you as performing the work that would make you eligible, they can't very well act.

Dr. FRAENKEL. That might be very well true, but I think what the States are doing—this is my personal opinion—they are interpreting the material coming out of the Federal agencies, and perhaps within this interpretation the words "sheltered workshop" might properly be included, or "vocational rehabilitation and training," and so forth.

Senator GRUENING. I am going to ask the Department to explore that situation.

Proceed. Have you anything else?

Dr. FRAENKEL. Yes, I do, sir. Though we do not have all the information available—but it can be made available—we know that the majority have similar agency structures. Here I refer to the 17 projects under example A, whereas 4 were approved and 13 denied or not approved. Each has professional qualified staff, advisory committees, and have been approved under their various State voca-

tional rehabilitation agencies as operating recognized rehabilitation training programs.

There is a clear lack of inconsistency for on the one hand an agency is determined to be eligible to receive said property and on the other hand denied. There is, in our opinion, no substantial difference between the agencies concerned. It points out to us a need for clarification. Needless to say, the tremendous amount of good said acquisition of property could do to further rehabilitate our adult retardates is obvious. In addition, the financial savings to the local, State, and Federal Governments would be considerable.

Example B, other workshops: In January 1959, the National Association for Retarded Children reported on the first nationwide study dealing with sheltered workshops. A summary report prepared by the National Association for Retarded Children discloses that there were 56 sheltered workshops then in operation by our member units.

We know that a substantial number of these workshops offer vocational evaluation, personal adjustment training, vocational training job placement, and followup. A large number of these have been "approved" by their local and State vocational rehabilitation agencies and are currently receiving training fees for services rendered.

Several of these workshops have previously qualified for and received Federal moneys under Public Law 565, the vocational rehabilitation amendments of 1954. The majority of these workshops have qualified professional staff members operating the program. Several of these workshops have maintained direct referral channels with departments of special education.

It would appear that example B also falls under the category of "eligible" to receive said property as either a health or an education program.

Those sheltered workshops which do not provide vocational evaluation, personal adjustment training, vocational training, may nonetheless provide supportive counseling, sheltered employment, and job placement and followup. Those aspects of the program other than the sheltered employment it would appear would meet the criteria enabling them to be declared eligible under either health or education.

I have an example C, surplus property brochure: The National Association for Retarded Children, Vocational Rehabilitation Sheltered Workshop Committee, during the months of May and June 1958, was in direct contact with the then Acting Chief, Surplus Property Utilization Division, Department of Health, Education, and Welfare, and consulted them for advice on the pamphlet entitled "How To Acquire Federal Surplus Real and Personal Property" ("Acquiring surplus property for health or educational use"), and was told the following:

The material is excellent, and contains nothing which is contrary to Federal law or procedure.

The above quote refers to a two-page notice entitled "Bi-Monthly Report of Sheltered Workshops and Vocational Rehabilitation Committee, No. 2, August 1958. How To Acquire Federal Surplus Real and Personal Property." It was sent to all of our member units across the country, our workshop directors and planners, Office of Vocational Rehabilitation, regional representatives, and State vocational rehabilitation directors.

Acting on the information we had from the Acting Chief, Surplus Property Utilization Division, we led our member units to believe that those member units who operated vocational rehabilitation training facilities might expect to qualify to receive said property if they applied and were declared eligible. It would appear to us that example C further indicates the need for clarification of this act.

Example D, State institutions: There are in this country more than 100 State institutions for the mentally retarded. Everyone of them performs in addition to nursing care for the "crib cases" such services that fall under the headings of education and health.

Several of our institutions are currently engaged in vocational rehabilitation activities particularly as a means toward releasing those able to function as a contributing member in the community. Institutions in the States of Indiana and Kansas are operating vocational rehabilitation research projects, in part supported by the Office of Vocational Rehabilitation, Department of Health, Education, and Welfare.

This past year 10 of our State institutions were visited and their vocational rehabilitation programs were discussed with the superintendents and the vocational rehabilitation staff. It is our opinion that every one of these 10 institutions would be most happy to receive said property. Do they not qualify as eligible?

I have an example E, clinics: Many of our member units operate clinics for mentally retarded children in cooperation with other local State and Federal agencies. Some of these clinics operate under special projects received through maternal and child health funds of the Children's Bureau, Department of Health, Education, and Welfare. Time did not permit us to query all of these clinics, but we believe they would qualify for eligibility to receive said property. Certainly these facilities fall under the category of health.

Example F, schools: There is no need to comment because I see Dr. Mackie has already made comments.

We believe that had we more time in which to gather our information, we would have presented additional data to substantiate our testimony. We are sure, Senator Gruening, that you will be pleased to know that we received information from a representative of the State rehabilitation agency in Anchorage, Alaska, who in a personal telephone call to our National Association for Retarded Children said:

We have sufficient retarded clients whom we are currently unable to serve as well as we would like to due to the lack of suitable facilities which are practically nonexistent. If we could allocate staff to vocational rehabilitation functions for the adult retarded, we would welcome said surplus property.

Senator Gruening, in addition to this information from Alaska, we have been receiving telegrams, special delivery letters, airmail letters, telephone calls and the like from our member units all over the country in response to your directive:

That we solicit their assistance in determining whether or not they have ever applied for or received Federal surplus real and/or personal property.

This was last week when Mr. Hayman came and presented our point of view and you told him at that time to get that information. We are following it to the letter. We are quite concerned with these replies which will be entered into the record.

We have prepared a digest of the replies we have received from our member units. Due to the short notice we received, vacation time of the year, and the lack of all of the messages being delivered promptly, we would have received more replies than we indicate. We had to eliminate all the States west of the Mississippi because of the time factor, so that eliminated Montana, Idaho, and right on down. The testimony about the State of California is from a personal visit.

Rather than go through the whole list, may I summarize a bit of it?

Senator GRUENING. Go right ahead.

Dr. FRAENKEL. We have replies totaling 130. It covers 34 States and the District of Columbia. And we are struck by several important items. The majority of those 98 members who expressed interest in receiving said property stated that they would have applied had they known they were to be considered eligible. This was an important consideration because they didn't even think they could get said property. Others expressed a dire need for surplus property to help equip and/or house their classrooms, workshops, day centers and the like. Still others expressed interest for the future in anticipation of their sponsoring new programs. The receipt of such surplus property would, as we have said before, enable them to initiate programs and render direct services for our retarded children in this country.

Those 21 member units who were denied the receipt of said property said they were denied eligibility because they did not meet the requirements of the law, and we have already indicated to you, Senator, under examples A through F our feelings about this.

Of the 11 member units who reported they received said property, the donees operate workshops, camp programs, clinics, vocational training programs, special classes, recreational programs.

All of the information contained in this testimony has been presented to the committee in order to show instances where the services and programs provided by the member units of the National Association for Retarded Children properly belong under the current wording of the act, under the categories "health and education."

We believe that this is in keeping with the intent of the law, the policy as referred to, which I did not refer to because of lack of time, but it is in the record, and does not constitute testimony presented as a new agency applying for said property so much as agencies which should properly be recognized as eligible under the current act.

We are deeply interested in those bills which would extend said property so that new services and programs not currently accepted as "eligible" would be included under this act. This would refer to S. 1365 and related. We are very anxious to have included at this time testimony—

Senator GRUENING. Name those bills specifically, will you, for the record?

Dr. FRAENKEL. I do not have them.

Senator GRUENING. Well, if it is in the record, it is all right.

Dr. FRAENKEL. It is not in the record. May I spend a moment reviewing the list?

Senator GRUENING. Yes, indeed. We are going to have your statement copied and sent to the Department so that they can study each of those examples and make a report as to their position on that situation. And then I would appreciate getting that full statement which

you say is being compiled now, the answers which you expect to receive.

Dr. FRAENKEL. Yes, sir. I will refer to S. 1365, S. 1766. I believe S. 2198, because we have overseas units, if that was needed. S. 2367. S. 2442.

Senator GRUENING. Did you have this personal conversation with someone in Anchorage?

Dr. FRAENKEL. Yes, sir.

Senator GRUENING. Do you know the name of the person?

Dr. FRAENKEL. His name is Carroll Croft.

Senator GRUENING. Carroll Croft?

Dr. FRAENKEL. Yes, sir.

Senator GRUENING. And that was in Anchorage.

Dr. FRAENKEL. He is from Anchorage; yes, sir.

Senator GRUENING. And his title is what?

Dr. FRAENKEL. His title is vocational rehabilitation counselor for the State of Alaska Vocational Rehabilitation Agency.

Senator GRUENING. Thank you very much, Dr. Fraenkel.

(The prepared statement of the National Association for Retarded Children, Inc., follows:)

STATEMENT OF THE NATIONAL ASSOCIATION FOR RETARDED CHILDREN, INC., BY DR. WILLIAM A. FRAENKEL, CONSULTANT ON VOCATIONAL REHABILITATION AND SHELTERED WORKSHOPS

I wish to thank the chairman and committee on behalf of the National Association for Retarded Children, Inc., for this opportunity to present testimony in behalf of S. 1365.

It has been only due to the imaginative leadership in both Houses of Congress that we have been able to make such outstanding progress in the field of mental retardation.

Tens of thousands of parents throughout the country are grateful. We come to you today confident we can entrust our case to your sound judgment and deep understanding of the problems of mental retardation.

In presenting this testimony it appears best to give you some brief background information on who we are, the group we represent, and then we will describe those of our national activities as manifested by our local units throughout the country which appear to us to fall within the framework of the law (Federal Property Administrative Services Act of 1949) and should be determined to be eligible to qualify to receive surplus property for either health or educational use.

Who is NARC?

The National Association for Retarded Children, Inc., known as NARC is the only national voluntary, parent-inspired association whose primary purpose is to improve the welfare of retarded persons throughout the country. Our member units provide family counseling; special education and training; vocational training; integration to society; and assist in the training of personnel for this purpose.

There are close to 700 affiliated State and local units within the National Association for Retarded Children, Inc. Included in this figure are units in Hawaii, Puerto Rico, and in military installations abroad. The Parents Association for Retarded Children of Alaska, located in Anchorage has been operating a program for some years and we will imagine one day will be affiliated with the National Association for Retarded Children. Generally, NARC broadens public awareness of problems of mental retardation. Specifically, it provides local units with consultation and guidance to improve their services and gain sufficient support.

Whom do we represent?

There is substantial agreement that about 3 percent of the population, or 5 million children and adults, are mentally retarded to the point of requiring specific services or facilities either throughout their lifetimes or at crucial

periods. These services or facilities may involve no more than the provision of special classes in the school system for the upper group of retardates, or permanent nursing or infirmary care for the most severe cases.

In recent years it has been found practicable to divide the total number of retardates into the dependent, the semidependent and the marginally independent groups.

One person out of every thousand of the total population, or one-tenth of 1 percent, belong in the dependent group, requiring hour-by-hour supervision. As adults they do not go beyond a mental age of 3 years (and many do not go that far). Many of them have severe physical handicaps, are unable to walk or to talk; must be fed and clothed. Yet even in this group some individuals have responded to training along minimum social lines, and these efforts, when successful, decrease the need for personal care and enrich the individual's human existence to the point that he can learn to walk, take care of his bodily needs, and dress and feed himself.

Four persons out of every thousand population fall into the middle group of semidependents. Even the upper brackets of this group develop at less than half the rate of normal children, yet many have capabilities for learning self-care, patterns of acceptable social behavior, and performance of useful work. Where these trainable children are given an opportunity to enroll in well-conducted, well-staffed classes, important advances have been achieved.

About 2½ percent of the population, or 25 out of each thousand people, are found in the marginal independent group. As children they are considered educable, but sufficiently retarded to require attendance at special classes. Most of them can utilize some vocational guidance and training, and many eventually become at least partially self-supporting adults, capable of managing their own affairs, but they will need counseling in periods of stress and crisis.

NARC in relation to the act

Mental retardation is no respecter of persons. We believe that every child has the right to be understood, respected, and helped, regardless of his age, degree of retardation, station of life, economic condition, race, or creed. We know that help for the retarded must be provided in a variety of ways. We, therefore, recommend to all of our member units that they provide a comprehensive program for all retarded children.

Some of these services are provided within the framework of agencies, such as the public schools, which serve other children. For others special facilities may need to be created by private resources. All member units affiliated with the NARC have one or several of the following services or functions they provide on a local level:

1. Diagnostic treatment clinics.
2. Home visiting.
3. Nursery classes.
4. Special education.
5. Vocational rehabilitation and sheltered workshops.
6. Community job placement.
7. Protection and guardianship.
8. Community centers.
9. Residence centers.
10. Research.

As we stated earlier for the record, "Many of our local member units find themselves struggling to maintain themselves and few have any sure fiscal or tax base under which they operate." This means that some of our member units provide one form of service or another depending upon their local needs, resources, financial situation, and community support.

We feel that the following information is in keeping with the intent of the act as described under section 13.2—Basic Policy: "It is the policy of the Department to strengthen and encourage the development and expansion of educational and public health programs and to promote a state of civil defense operational readiness by the equitable allocation among the States of donable property for education, public health, and civil defense purposes, and the assuring thereafter of its maximum utilization for these purposes."

We submit that the information we are presenting in this testimony needs to be properly interpreted so that eligibility to acquire both real and/or Federal surplus property for either health or education by our member units is in keeping with the intent of this act.

We submit that many of our nursery classes, special education classes, vocational rehabilitation and sheltered workshop programs, community centers, residence centers, and research programs are under the terms of this act potentially eligible to acquire this property.

We have carefully reviewed the Federal Property and Administrative Services Act of 1949 and can honestly say that we are confused by the lack of clarity in both the interpretation and administration of this act as it affects some of these 10 areas of services or functions. What we mean is that in some instances sheltered workshops, for example, have been approved and declared eligible to receive Federal surplus property whereas in another instance this has been denied. The same holds true for our nursery classes, special education classes, vocational rehabilitation functions, institutions, and research projects.

We will indicate several representative instances where this has occurred and earnestly solicit your assistance in clarifying for us the discrepancies.

Example A. Workshops

An example is a situation in San Francisco, Calif., where we have a vocational rehabilitation center which has twice been approved as its instructional standards met those required in the State for such service (vocational rehabilitation) yet have consistently been denied surplus property even though the approving agency is in the Department of Education of the State of California, in this case the Vocational Rehabilitation Service, which is also a subdivision of the Department of Health, Education, and Welfare.

On the one hand this vocational rehabilitation agency, which is serving the mentally retarded adult in San Francisco, is approved for a Federal grant from the Office of Vocational Rehabilitation under the Department of Health, Education, and Welfare but is denied surplus property by another division within that same Department of Health, Education, and Welfare.

This vocational rehabilitation center provides a preliminary diagnostic workup and receives on those retardates admitted to the program, a medical report, social case study, educational report, and psychological report. It provides both individual and group therapeutic vocational counseling. This program offers vocational training, job placement, and community followup.

This vocational rehabilitation center in San Francisco, Calif., has as its director a Ph. D. and other qualified professional staff members. The other staff members' degrees run from a bachelor of science to a medical doctor.

They have in addition on their advisory committee some of the top people in the State of California representing medicine, labor, education, and rehabilitation. They meet all of the criteria established under the law as such law refers to eligibility, yet they have been consistently denied the acquisition of Federal surplus property.

Finally, this vocational rehabilitation center, which is currently receiving a Federal grant which has research as one of its functions and which has been awarded to (1) accelerate vocational rehabilitation services to severely disabled persons; (2) provide for prompt and widespread application of knowledge and experience acquired in the Office of Vocational Rehabilitation research grant program; and (3) test, insofar as possible, the application of the research findings under varying circumstances in different parts of the country; still is denied Federal surplus property.

In summing up we would like to refer to: Title 45—Public Welfare; Subtitle A—Department of Health, Education and Welfare General Administration; Part 13—Allocation and Utilization of Surplus Personal Property for Educational Public Health and Civil Defense Purposes Amendment. Under section 13.1 Definitions (c) “approved” means recognition and approval by the State department of education, State department of health or other appropriate authority with respect to an educational institution, such approval must relate to academic or instructional standards. Does not this vocational rehabilitation center meet the criteria for “approved” under this act?

We submit that example A just given meets the criteria under section 13.1 Definitions (n) “educational institutions” means an approved or accredited tax-supported or nonprofit school system, school, college, or university. We refer here to the words “approved” and “school,” because the candidates for this vocational rehabilitation center all are vocationally evaluated and given their rehabilitation training as a preparation for remunerative employment.

We submit that under the same section (o) “eligible applicant” means a civil defense organization as defined in section 13.1(e) or an approved or accredited tax-supported medical institution, hospital, clinic, health center, school, school

system, college, university or nonprofit medical institution, hospital, clinic, health center, school, college or university. This example A as cited would meet the criteria and intent of the law particularly as either a health center, school, clinic, or nonprofit clinic.

For the same reasons we submit that example A meets section 13.1 Definitions (p) "health center" means an approved facility utilized by a health unit for the provision of public health services, including related facilities such as laboratories and clinics.

We submit that example A meets the criteria under Section 13.1 Definitions (x) "school" means an approved or accredited organization entity devoted primarily to approved academic, vocational, or professional study and instruction which operates primarily for educational purposes on a full-time basis for a minimum school year and employs a full-time staff of qualified instructors.

We submit that the additional material cited below has significant meaning to our testimony as it relates to example A and similar structured agencies being considered eligible to receive said property.

"TITLE 45—PUBLIC WELFARE

"SUBTITLE A—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE GENERAL ADMINISTRATION

PART 12—DISPOSAL AND UTILIZATION OF SURPLUS REAL PROPERTY FOR EDUCATIONAL PURPOSES AND PUBLIC HEALTH PURPOSES

"Section 12.3 *General policies.*—(a) It is the policy of the Department to foster and assure maximum utilization of surplus real property for educational and public health purposes, including research.

* * * * *

"(f) Only those activities devoted to academic, vocational or professional instruction, or organized and operated to promote and protect the public health, are eligible. Examples of such eligible activities are universities, colleges, junior colleges, junior or senior high schools, elementary schools or school systems, vocational or specialized schools, research activities, public libraries, and similar activities primarily educational in character; general and speciality hospitals, mental institutions, clinics, health sanitation activities (including water and sewer departments), facilities providing public health services, and similar activities devoted primarily to the protection and promotion of public health. The program of an institution eligible for a transfer must contemplate use of the property as an integral part of an approved or accredited activity of the kind above described. The activity must obtain such licenses for operations as may be required by State and local law.

"(g) Use of the property applied for must be for a fundamental educational or public health purpose. Examples of such fundamental utilizations are classrooms, vocational shops, libraries, laboratories, auditoriums, gymnasiums, cafeterias, dormitories, faculty housing, infirmaries, recreational facilities, hospitals, clinics, facilities providing public health services, and similar utilization. The property applied for must be for a purpose for which the eligible organization would be authorized to expand its own funds to acquire."

We have taken this time to describe example A, the case of a vocational rehabilitation center, being denied eligible to receive real and/or Federal surplus property because there are currently in operation some 17 such projects across the country. Four of these projects, to our current knowledge and information, have been declared eligible and are receiving said property. These four are in the States of Delaware, Louisiana, Maryland, and Texas. The balance of the selected research demonstration projects are serving the mentally retarded in the States of Missouri, Washington, Colorado, Rhode Island, Georgia, Illinois, Pennsylvania, Alabama, Tennessee, Ohio, and Virginia. These centers are not to our knowledge receiving said property.

Though we do not have all the information available, but it can be made available, we know that the majority have similar agency structures and have professional qualified staff, advisory committees, and have been approved under their various State vocational rehabilitation agencies as operating recognized rehabilitation training programs.

This is a clear lack of inconsistency, for on the one hand an agency is determined to be eligible to receive said property and on the other hand denied. There

is, in our opinion, no substantial difference between the agencies concerned. It points out to us a need for clarification. Needless to say, the tremendous amount of good said acquisition of property could do to further rehabilitate our adult retardates is obvious. In addition, the financial savings to the local State and Federal Governments would be considerable.

Example B. Other workshops

In January 1959, the National Association for Retarded Children reported on the first nationwide study dealing with sheltered workshops. A summary report prepared by the National Association for Retarded Children discloses that there are 56 sheltered workshops being operated by our member units.

We know that a substantial number of these workshops offer vocational evaluation, personal adjustment training, vocational training, job placement, and followup. A large number of these have been "approved" by their local and State vocational rehabilitation agencies and are currently receiving training fees for services rendered.

Several of these workshops have previously qualified for and received Federal moneys under Public Law 565, the Vocational Rehabilitation Amendments of 1954. The majority of these workshops have qualified professional staff members operating the program. Several of these workshops have maintained direct referral channels with departments of special education.

It would appear that example B also falls under the category "eligible" to receive said property as either a health or education program.

Those sheltered workshops which do not provide vocational evaluation, personal adjustment training, vocational training may nonetheless provide supportive counseling, sheltered employment and job placement and followup. Those aspects of the program other than the sheltered employment it would appear would meet the criteria enabling them to be declared eligible under either health or education.

Example C. Surplus property brochure

The National Association for Retarded Children, Vocational Rehabilitation Sheltered Workshop Committee during the months of May and June 1958 was in direct contact with the then Acting Chief, Surplus Property Utilization Division, Department of Health, Education, and Welfare and consulted them for advice on the pamphlet entitled "How To Acquire Federal Surplus Real and Personal Property" ("Acquiring Surplus Property for Health or Educational Use"), and was told the following: "The material is excellent, and contains nothing which is contrary to Federal law or procedure".

The above quote refers to a two-page notice titled "Bimonthly Report of Sheltered Workshops and Vocational Rehabilitation Committee," No. 2, August 1958. "How To Acquire Federal Surplus Real and Personal Property" which was sent to all of our member units across the country, our workshop directors and planners, Office of Vocational Rehabilitation, regional representatives, and State vocational rehabilitation directors.

Acting on the information we had from the Acting Chief, Surplus Property Utilization Division, we lead our member units to believe that those member units who operated vocational rehabilitation training facilities might expect to qualify to receive said property if they applied and were declared eligible. It would appear to us that example C further indicates the need for clarification of this act.

Example D. State institutions

There are in this country more than 100 State institutions for the mentally retarded. Every one of them performs in addition to nursing care for the "crib cases" such services that fall under the headings "Education" and "Health."

Several of our institutions are currently engaged in vocational rehabilitation activities particularly as a means toward releasing those able to function as a contributing member in the community. Institutions in the States of Indiana and Kansas both are operating vocational rehabilitation research projects, in part supported by the Office of Vocational Rehabilitation, Department of Health, Education, and Welfare.

This past year, 10 of our State institutions were visited and their vocational rehabilitation programs discussed with the superintendents and the vocational rehabilitation staff. It is our opinion that everyone of these 10 institutions would be most happy to receive said property. Do they not qualify as eligible?

Example E. Clinics

Many of our member units operate clinics for mentally retarded children in cooperation with other local, State, and Federal agencies. Some of these clinics operate under special projects received through maternal and child health funds of the Children's Bureau, Department of Health, Education, and Welfare. Time did not permit us to query all of these clinics but we believe that they would qualify for eligibility to receive said property. Certainly these facilities fall under the category health.

Example F. Schools

Although we have information to present in behalf of our programs which fall under the act as school, it is our understanding that testimony will be given by a representative from the Department of Education, that is, the U.S. Office of Education, Department of Health, Education, and Welfare.

We believe that had we more time in which to gather our information we would have presented additional data to substantiate our testimony. We are sure, Senator Gruening, that you will be pleased to know that we received information from a representative of the State rehabilitation agency in Anchorage, Alaska, who is a personal telephone call to our National Association for Retarded Children said "We have sufficient retarded clients who we are currently unable to serve as well as we would like to due to the lack of suitable facilities which are practically nonexistent. If we could allocate staff to vocational rehabilitation functions for the adult retarded, we would welcome said surplus property."

Senator Gruening, in addition to this information from Alaska we have been receiving telegrams, special delivery letters, air mail letters, telephone calls, and the like from our member units all over the country in response to your directive "that we solicit their assistance in determining whether or not they have ever applied for or received Federal surplus real and/or personal property." We are quite concerned with these replies which will be entered into the record.

We have prepared a digest of the replies we received from our member units. Due to the short notice we received, vacation time of the year, and the lack of all of the messages being delivered promptly, we would have received many more replies than we indicate. You will note that our member units in the West and Far West are not included in this report. We did not notify these States because we felt we would not be able to receive replies back in time to meet the deadline date set for this hearing. A reply from California is included because of a recent trip to that State which revealed the information cited in example A.

TABLE 1.—*Replies to inquiry: "Did you ever receive Federal surplus property?"*

State	Member units reply received	Yes	No	Interested
Alabama	1		1	
Alaska	1			1
Arkansas	1			1
California	1		1	
Connecticut	5		1	4
Delaware	1	1		
District of Columbia	1		1	
Florida	5		3	2
Georgia	5			5
Illinois	3			3
Indiana	4			4
Iowa	4		3	1
Kansas	1			1
Kentucky	1			1
Louisiana	4	1		3
Maryland	3	1		2
Massachusetts	9		1	8
Michigan	8			8
Minnesota	4			4
Mississippi	1			1
Missouri	1			1
Nebraska	2			2
New Jersey	4	1	1	2
New York	9		1	8
North Carolina	6		1	5
Ohio	5		2	3
Oklahoma	2			2
Pennsylvania	9		1	8
South Dakota	1	1		
Tennessee	3			3
Texas	5	3		2
Virginia	5	1	1	3
Vermont	2	1		1
West Virginia	5	1		4
Wisconsin	8		3	5
Total	130	11	21	98

In reviewing the replies received from our member units when we asked them whether or not they had ever received Federal surplus property, we were struck by several significant factors which appear best summarized below. These replies came from 35 States and represent 130 member units.

1. The majority of those 98 member units who expressed interest in receiving said property stated that they would have applied had they known they were eligible; others expressed a dire need for surplus property to help equip and/or house their classrooms, workshops, day centers, and the like. Still others expressed interest for the future in anticipation of their sponsoring new programs. The receipt of such surplus property would, as we have said before, enable them to initiate programs and render direct services for our retarded children in this country.

2. Those 21 member units who were denied the receipt of said property said they were denied eligibility because they did not meet the requirements of the law (we have already indicated to you under examples A-F our feelings about this).

3. Of the 11 member units who reported they received said property the donees operate workshops, camp programs, clinics, vocational training programs, special classes, recreational programs.

All of the information contained in this testimony has been presented to the committee in order to show instances where the services and programs provided by the member units of the National Association for Retarded Children properly belong under the current wording of the act, under the categories "Health" and "Education."

We believe that this is in keeping with the intent of the law, the policy as referred to in this testimony, and does not constitute testimony presented as a new agency applying for said property so much as agencies which should properly be recognized as eligible under the current act.

We are deeply interested in those bills which would extend said property so that new services and programs not currently accepted as eligible would be included under this act. We are very anxious to have included at this time

testimony in behalf of our recreational programs for both retarded children and adults and all other functions which would tend to result in character and individual development of our retarded children and adults.

We, of the National Association for Retarded Children, wish to express our thanks to you, Senator Gruening, and your committee, for taking the initiative in holding hearings on these various bills which would provide for the expansion of surplus property. We cannot tell you what the receipt of said property means to every parent of a retarded child when such property enables them to feel there is help for them back home in their efforts to provide for their children as we would for ours. We hope this testimony in part has conveyed that message.

Senator GRUENING. We will now call on another witness. Mr. Harry Dreany, Chief, Industrial Procurement Division, Office of Industrial Resources, International Cooperation Administration.

Do you have a statement or do you come to answer questions, or both?

Mr. DREANY. Both. I have a statement which I would like to read first.

Senator GRUENING. Please go ahead. Have you copies of it?

STATEMENT OF HARRY DREANY, CHIEF, INDUSTRIAL PROCUREMENT DIVISION, OFFICE OF INDUSTRIAL RESOURCES, INTERNATIONAL COOPERATION ADMINISTRATION; ACCCOMPANIED BY HENRY KING, DEPUTY GENERAL COUNSEL, ICA, AND ROSCOE STOWELL, CHIEF, EXCESS PROPERTY UTILIZATION BRANCH

Mr. DREANY. Yes, sir.

I am Harry Dreany and I am accompanied by Mr. Henry King, Deputy General Counsel of ICA, and Mr. Roscoe Stowell, Chief, Excess Property Utilization Branch.

Senator GRUENING. Will you have Mr. Stowell come up here and join you?

Mr. DREANY. In case there are questions which I cannot answer.

Senator GRUENING. It is always better to have a strong right bower and a good left bower.

Mr. DREANY. Prior to 1956 the predecessor agencies of ICA gave little attention to the utilization of excess personal property in their programs. However, in 1955, the Report of the Hoover Commission on Surplus Property, in its recommendation No. 19, pointed out the relative nonutilization in the foreign-aid program and the "little co-ordination between foreign-aid missions and excess producing agencies." It recommended a more aggressive promotion of the use of excess property by our agencies in countries receiving aid.

Since that time ICA has augmented its staff and has worked closely with the General Services Administration and the excess producing agencies such as Defense to develop procedures looking toward maximum utilization. Several of the countries receiving aid had had some regrettable experiences with material and equipment purchased as war surplus mainly from oversea locations. There was, and still is, an understandable reluctance on the part of some of our missions and cooperating countries to accept such excess material in substitution for new. We are, however, beginning to make them aware of the difference between excess and war surplus. The promotion campaign is becoming somewhat more effective and ICA works continu-

ously with GSA and other holding agencies to streamline and simplify procedures to encourage utilization.

During calendar year 1956, ICA took \$1,320,000 worth of excess. In calendar year 1957 this amount jumped to \$15,245,000, and in 1958 to \$31,276,000. For the first half of calendar 1959 the amount has been \$23,370,000. The latter three figures include some material classified as mobilization reserve or long supply. While such material is not, technically speaking, true excess, its use does assist the Department of Defense in turning over its inventory. Such material is made available at depreciated prices, depending on age, and the funds are used to assist in purchasing new equipment to replace that which was taken. I have not, to date, been able to assign personnel to breaking down the total figures but have expectation of doing so in the near future.

Basic authority for ICA acquisition is the Federal Property and Administrative Services Act of 1949, as amended, with particular reference to the declaration of policy in section 2 and the responsibilities assigned in sections 202(a) and 202(c). After ICA acquisition in accordance with the above act and the various regulations prescribed thereunder, authority for transfer to cooperating countries stems from the Mutual Security Act, which authorizes use of appropriated funds to procure equipment for transfer and further authorizes, in subsection 535(b), the furnishing of nonmilitary supplies and materials on an advance-of-funds or reimbursement basis.

Thus, either U.S. Government funds or cooperating country funds may be used. The Foreign Affairs Committee of the House, in House Report No. 440, " * * * hopes that particular effort will be made to further the purposes of the Mutual Security Act through use of excess property of the U.S. Government agencies, * * *." The Foreign Relations Committee of the Senate in Senate Report No. 412 says, with respect to machine tools for small business, that "Authority for this kind of activity already exists in the act, but the committee desires to emphasize its desirability, * * *."

There are two basic sources of the material used by the International Cooperation Administration (1) from domestic sources under supervision of the General Services Administration and (2) from the Department of Defense activities overseas.

The procedures, under which are included price and physical supply arrangements, are many and varied depending upon many factors and I will not go into detailed explanations. As mentioned before, these procedures are under the constant development of experience toward simplification and ease of administration. Transfers of stock fund property to ICA are made at regular fair value rates. Other transfers of domestic excess are made at 5 percent of acquisition cost with foreign excess being transferred at 10 percent of book value.

The excess property is all used in the furtherance of the purposes of the Mutual Security Act and includes all types and kinds of equipment and material, except strictly military end items. It is a substitute for new material and must be required for a specific use under one of our projects or programs or, if purchased with cooperating country funds, its use must be found "to be consistent with and in furtherance of the purposes and within the limitations of this act." The quote is from subsection 535(b) of the Mutual Security Act.

Unless it is acquired for use of our missions, the title is vested in the cooperating country and they become accountable for the property, subject, of course, to ICA's regular program of end use checks to see that it is being used for the purposes for which it was acquired. If title is retained by the U.S. Government, accountability is maintained as for any other material.

ICA, of course, operates on a request for aid basis and must give maximum possible consideration to the wishes of our cooperating partners in the types and grades of equipment and material furnished. Thus, we are not completely free to substitute available excess property for new procurement, although we do and will continue to do the best sales job we can in maximizing utilization and thus making the appropriated funds go further.

If there are any questions, I will do my best either to answer them or to obtain answers for you.

Senator GRUENING. Thank you very much, Mr. Dreany.

You had a very substantial increase in the amount that you have taken since 1956. It has multiplied nearly 30 times, hasn't it?

Mr. DREANY. That is correct.

Senator GRUENING. And the calendar year 1959, you are prepared to go up to the neighborhood of \$46 million. What is the nature of the surplus?

Mr. DREANY. Actually it runs the gamut of everything from moving picture projectors and visual aid equipment to bulldozers, roadbuilding equipment, trucks, jeeps, all kinds of automotive equipment, graders, some vessels, and quite a bit of excess clothing, and just about anything that you can think of outside of a purely military end item such as a tank or gun.

Senator GRUENING. In your appropriations for ICA that were submitted to the Congress, the surplus property is not included, is it?

Mr. DREANY. No, sir. This is not surplus. Excess. We do not take any surplus property. All of the properties we get are excess before they reach the point of being declared surplus.

Senator GRUENING. You take it before it is distributed as surplus.

Mr. DREANY. Yes, sir.

Senator GRUENING. Under the act.

When you take this excess property, do you take it for specific programs—this excess property—or do you just take it because it is available?

Mr. DREANY. No, sir. We take it for a specific purpose and program, not simply because it is available.

Senator GRUENING. Who uses the motion-picture projectors?

Mr. DREANY. The education people, generally speaking, who are in our educational projects overseas.

Senator GRUENING. You mean the point 4 projects?

Mr. DREANY. Yes, sir.

Senator GRUENING. Does the taking of this property before it becomes surplus mean that a college or hospital in a foreign country obtains a priority over a college or hospital in this country?

Mr. DREANY. If we have a specific program of assistance to that college; yes, sir.

Senator GRUENING. In other words, you get it before it becomes surplus and it goes overseas, whereas our colleges and schools have to wait until it is declared surplus; is that it?

Mr. DREANY. That is correct; yes. However, the thing to remember about that is that if the same item is required in our project, and were not available from excess, we would go out and buy it new.

Senator GRUENING. You would buy it out of the funds that are provided by the appropriation.

Mr. DREANY. That is correct; yes, sir.

Senator GRUENING. Do you have a breakdown as to the countries in which this goes and the types that go into these countries?

Mr. DREANY. Yes, sir. I have that breakdown. I could give you—I probably couldn't answer a particular type of breakdown that you wanted, but I could get together any kind of breakdown that you want.

Senator GRUENING. I think the committee would like to know the types of excess which you receive. You don't get surplus at all, do you?

Mr. DREANY. No, sir.

Senator GRUENING. You don't bother with that. You get in on the ground floor before it becomes surplus.

Mr. DREANY. Yes, sir.

Senator GRUENING. We would like to have the type of excess you get and into what country it goes. What countries are the chief beneficiaries, if you can summarize it?

Mr. DREANY. The chief beneficiary I believe to date has been India, although there are others. We have got all the details in here [indicating], and we can break it down in various and sundry—

Senator GRUENING. None of this information is classified, I take it.

Mr. DREANY. No, sir. None at all.

India seems to be the largest recipient, and possibly next is Vietnam. Those have—well, I can go down and give the list of countries which have received over \$1 million.

Senator GRUENING. That would be very useful at this point.

Mr. DREANY. Afghanistan, Burma, China—

Senator GRUENING. Let me interrupt at this point. Has Burma just recently come into this picture? They have just recently accepted our funds.

Mr. DREANY. Yes, sir.

Senator GRUENING. They were not getting this excess before.

Mr. DREANY. No. They started in calendar 1958.

Senator GRUENING. But they were not taking it.

Mr. DREANY. That is correct.

Senator GRUENING. How much did they take?

Mr. DREANY. The whole amount. \$1,300,000.

Senator GRUENING. That was the maximum they were entitled to get.

Mr. DREANY. No. It isn't a question of a maximum they are entitled to.

Senator GRUENING. That is what they asked for.

Mr. DREANY. That is correct. That is what they asked for in lieu of new equipment.

Senator GRUENING. I see.

Mr. DREANY. Guatemala, Honduras, India, I mentioned before, Indonesia, Mexico, Surinam, and Vietnam.

Senator GRUENING. Did any of it go to the Iron Curtain countries?

Mr. DREANY. No, sir.

Senator GRUENING. You are not sending any to Yugoslavia?

Mr. DREANY. Yugoslavia is not an Iron Curtain country.

Senator GRUENING. You don't consider it so?

Mr. DREANY. No, sir.

Senator GRUENING. Does it go to Yugoslavia?

Mr. DREANY. Well, they haven't taken any but only because they haven't asked for any.

Senator GRUENING. All they have to do is ask for it and you give it to them, is that it?

Mr. DREANY. If it is available and they have the money in their program, in their ICA program to pay for it.

Senator GRUENING. They have to pay for all of this, do they?

Mr. DREANY. Take it out of—yes, the aid funds which are allocated to that particular country.

Senator GRUENING. You mean when you give them this excess property, they in return have to pay for it out of the funds which are appropriated by the Congress? In other words, this is not additional.

Mr. DREANY. No. In effect substitutes for an amount of cash.

Senator GRUENING. Do they pay for it in dollars or counterpart funds?

Mr. DREANY. They would in general pay for it in counterpart funds. The dollars would be deductible. The dollars which were involved would either go back to the holding agency or the U.S. Treasury, and are in effect checked off against the amount of money which is available for assistance to this country. They would in most cases also deposit an equivalent amount of counterpart funds.

Senator GRUENING. Does any of this go to Egypt?

Mr. DREANY. They have not requested any; no, sir.

Senator GRUENING. What about Saudi Arabia?

Mr. DREANY. We have no program in Saudi Arabia.

Senator GRUENING. How do your procedures operate so that you can satisfy a request within the 90 days between the time the property is declared excess and it becomes surplus? You must have some very efficient organization to do that.

Mr. DREANY. Not as efficient as we would like to be. That 90 days is a handicap because by the time we can get the lists out to our nations and they review the lists and match them against the requirements, both immediate and potential, circularize them to all the technicians in our health and education and industry projects and get the request back to us, in many cases it is too late for us to acquire the material.

Senator GRUENING. What control does the ICA exercise over this property once it is turned over to another country? Is there accountability?

Mr. DREANY. Yes. There is accountability in that we, of course, turn the title over to the other country and then under whatever property accountability regulations they have, they are accountable for its proper use. Then, of course, we do have attached to the controller's office in each of our missions people whose sole function is end-use check, in effect to go around and see if this material is being used for the purposes for which it was acquired.

Senator GRUENING. Are there any instances where you found it was not being used properly for the purpose for which it was given?

Mr. DREANY. Yes. I am certain there were. I don't personally recall any, but I am sure that our Controller's Office could verify that there were some.

Senator GRUENING. Could you produce for the record any examples of that kind where improper use was found, and a statement as to what action was followed?

Mr. DREANY. Well, the action that would be followed would be that a demand would be made upon the other country for a refund of the dollars involved.

Senator GRUENING. Well, I would be interested to know whether the demand was made and whether the demand was complied with.

We have here a very voluminous pamphlet of the DOD, personal property, alphabetically, for the month of January.

Do you send this to every mission?

Mr. DREANY. Yes, sir.

Senator GRUENING. How many thousands of items are contained in it?

Mr. DREANY. There are a lot of them.

Senator GRUENING. Tremendous.

Mr. DREANY. Some months are bigger than others.

Senator GRUENING. Here is one of 204 pages, and I would estimate there were at least 200 items on a page. That would mean 40,000 items each month. A very considerable number.

Mr. DREANY. Of course, some of those are carried over from one month into the succeeding one.

Senator GRUENING. Well, then, will you submit for the record a list of the amounts year by year, to date, that have been given to each country, and what this consists of? That is quite an order, but I think it is necessary.

Mr. DREANY. Yes, sir.²⁵

Mr. SHRIVER. Mr. Dreany, in connection with those statements, could you separate the property that was issued for the mobilization and long-term supply from the excess property that went into the other programs as referred to in your statement?

Mr. DREANY. Yes.

Mr. SHRIVER. And another question, if I may ask it, Mr. Chairman.

What problem do you have in connection with reimbursement by the Department of Defense when they carry property in the stock fund or working capital account?

Mr. DREANY. Well, I would say no particular problems. They tell us how much money they have—what fair value they have to have in order for us to acquire the title, and then we either accept that or we say it is too much money.

Mr. SHRIVER. Or go out and buy new equipment.

Mr. DREANY. Yes, sir.

Mr. SHRIVER. This percentage figure you use in the statement here, 5 percent, that is an average figure.

Mr. DREANY. That is the price for domestic excess material which is not from the stock fund.

Mr. SHRIVER. That is carried in a specific account—what they call annual appropriation account.

Mr. DREANY. That is correct.

Senator GRUENING. Have you a set of regulations governing the disposal of this excess property?

²⁵ Material referred to on file with the subcommittee.

Mr. DREANY. Well, actually we don't have the regulations. The regulations are those of the General Services Administration and of the Department of Defense.

Senator GRUENING. Well, but there must be some particular regulations that apply to the ICA part of the program.

Mr. DREANY. Well, no. In other words, so far as we are concerned—I mean, it is the same as new equipment, except at a depreciated price.

Senator GRUENING. Let us say that a given country, Burma, makes a request for a certain amount. Now, what is the procedure under which that is handled? Don't you have some regulations? You receive a request. Is this a blanket request: send us whatever you can spare, or we want so many bulldozers or so many adding machines?

Mr. DREANY. Yes. It takes that form, a specific request for specific items of equipment.

Senator GRUENING. Do you scrutinize that and determine whether it is a valid request or not?

Mr. DREANY. Yes. The agency does. My particular division does not, but the program people, particularly in ICA and in our missions, in effect certify to us that it is a valid request of equipment for a specific purpose, and upon that, if the request is for new equipment and we know of the availability of excess which is comparable to that new equipment, we would go back and offer the excess property to the cooperating country in lieu of the new property which they have requested.

If they are willing to accept it, we ship them—we arrange the acquisition of the excess and ship it instead of going out and buying new.

Senator GRUENING. Well, do you have any check as to whether their demands are reasonable? Supposing they make a request for a quantity that obviously is in excess of what they might be able to use? Do you check on that at all, or do you just accede to whatever the request might be?

Mr. DREANY. As I say, by the time it gets to us, it has been pretty well screened down, and it is a justifiable request.

Senator GRUENING. Who has screened it? Who besides you knows the needs of a foreign country?

Mr. DREANY. Well, our missions. Our mission in that country. They know a whole lot more about each individual country than I could hope to know about 60 or 65.

Senator GRUENING. The screening takes place on the ground in the local mission?

Mr. DREANY. That is correct.

Senator GRUENING. There is a representative there who appraises the local needs and judges whether requests are reasonable, and then transmits them?

Mr. DREANY. That is right. And whether it is in effect in one of our approved projects or programs.

Senator GRUENING. Do you know whether the local ICA representative in the mission always approves a request, or does he screen it and modify it if he thinks it is advisable?

Mr. DREANY. Well, I think that they are screened. The programs and projects are presented to Congress when we request appropriations. While they are in effect illustrative, they are pretty much in line with the particular program which we want to carry out in that country during a particular year. Whether they are emphasizing industrial development or whether they are concentrating on the improvement of health or the eradication of malaria or the upgrading of their school systems, all of those things are planned in the program before we actually ever even request the money from Congress.

Senator GRUENING. Well, thank you very much, Mr. Dreany. We appreciate your coming in to testify.

Let me ask you one more question:

Is this excess mostly for economic aid, or is it some military aid?

Mr. DREANY. I am talking only of economic aid. Military aid would not be—I am not concerned with that.

Mr. SHRIVER. Mr. Dreany, just one more question I want to ask you:

Can you distinguish in the figures that you are going to supply for the record what percentage represents foreign excess and what percentage represents domestic excess? Or is most of this foreign excess?

Mr. DREANY. I can give you that exact breakdown for calendar year 1959. I am not sure I can for 1958 and 1957. I will try.

Mr. SHRIVER. Give us the best you can.

Mr. DREANY. I am not sure I can identify the source of each particular piece.

Senator GRUENING. Well, it is getting to be toward 1 o'clock. I think we had better adjourn until 2.

(Whereupon, at 12:40 p.m., the special subcommittee recessed, to reconvene at 2 p.m., this same day.)

AFTERNOON SESSION

Senator GRUENING. The meeting will come to order, please.

I have a letter from the Secretary of the Department of Health, Education, and Welfare, on the subject of including libraries (S. 155) and proposing an amendment which I will ask the Department to draft, on real estate.

That will go in the record at this point.

(Copy of letter of August 10, 1959, from Secretary, Department of Health, Education, and Welfare, follows:)

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,

August 10, 1959.

Hon. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, your Special Subcommittee on Donable Property has been holding hearings on a series of bills proposing the extension of the surplus property donation program, and in certain cases also the surplus real property disposal program, to certain types of organizations and activities (secs. 203(j) and 203(k) of the Federal Property and Administrative Services Act).

We have, so far, reported only on four of the bills involved, i.e., S. 1018, S. 1210, S. 1265, and S. 1766. These were the only bills on which we had received requests for reports, and, for the reasons stated in our report of July 17, we were unable to recommend their enactment.

We had not, however, been requested to report on S. 155, a bill which would amend section 203(j) of the act so as to permit donations of surplus property to libraries which are tax supported or publicly owned and operated. At the hearing held on July 30, while Mr. J. Wendell Gray, Chief of our Surplus Property Utilization Division, was testifying on behalf of the Department, the chairman of the subcommittee, Senator Gruening, requested that the Department submit, for inclusion in the record, a statement of its position on the proposal to extend the program to libraries.

Our adverse report on S. 1018 and other bills, while recognizing the worthiness of the organizations and activities involved, set forth at length the considerations underlying our opposition to these proposals, especially the difficulty of drawing a defensible line against further extensions if the law were opened up at all. We have, however, for some time, been increasingly troubled by the anomaly of the fact that, under section 203(j)(3) of the present law, schools, colleges, and universities are eligible to receive property donated for purposes of education, while libraries not operated by these institutions but open to the public are not eligible. This anomaly is made more obvious by the fact that libraries are recognized as eligible "educational institutions" under the surplus real property disposal program (sec. 203(k)(1)). As you know, public and other nonprofit libraries, while incidentally serving recreational purposes, are in a very real sense an adjunct to and resource for the schools whose students they serve as well as highly useful instrumentalities for adult education generally.

We would, therefore, be agreeable to an amendment which would do away with the present anomaly, with respect to both public and other nonprofit libraries. While not objecting to a properly drafted amendment which would bring libraries as such into the personal property donation program, we would consider it more appropriate to extend clauses (A) and (B) of section 203(j)(3) of the act to other educational institutions, a phrase intended to have the same meaning as the term "educational institutions" has in section 203(k)(1) of the act, and, moreover, not to be confused with the special meaning accorded to the term "educational activities" in section 203(j)(2) of the act by the Department of Defense. (Specifically, this would be accomplished by inserting the phrase "and other educational institutions" after "universities," in clause (A), and after "universities" in clause (B), of sec. 203(j)(3) of the act.)

S. 155, in its present form, would be objectionable because limited to libraries which are tax supported or publicly owned or operated, and because it would insert "public information" in section 203(j)(1) as in itself a permissible purpose for which surplus personal property could be donated, in addition to education, public health, and civil defense. If, however, S. 155 were amended in accordance with the above suggestions, we would recommend its enactment.

The Bureau of the Budget advises that while there is no objection to the submission of this report the Bureau is opposed to amendment of the law along the lines above suggested at this time.

Sincerely yours,

ARTHUR S. FLEMMING, *Secretary.*

Senator GRUENING. We have next Mr. C. H. Smith, Assistant Chief, Division of Finance, Bureau of Public Roads, and Mr. Morley Christensen, Chief, Construction and Maintenance Division, Office of Engineering, Bureau of Public Roads.

Will you gentlemen come forward at this time?

Have you gentlemen statements, or are you just here to answer questions?

STATEMENTS OF C. H. SMITH, ASSISTANT CHIEF, DIVISION OF FINANCE, BUREAU OF PUBLIC ROADS, AND MORLEY CHRISTENSEN, CHIEF, CONSTRUCTION AND MAINTENANCE DIVISION, OFFICE OF ENGINEERING, BUREAU OF PUBLIC ROADS

Mr. SMITH. The Bureau of Public Roads, Mr. Chairman, has filed a statement with the committee. We have a copy available for the record.

Senator GRUENING. We would like very much to have it. Have you additional copies for those to follow it and read it?

Mr. SMITH. We turned in about 20 or 25 copies Friday, Mr. Chairman.

Senator GRUENING. All right. Go right ahead.

Mr. SMITH. The statement is a short statement giving a brief history of our interest in this distribution of excess equipment to State highway departments.

The exhibits consist of exhibit A, an inquiry from the General Services Administration, under date of November 28, 1956, addressed to the then Commissioner of the Bureau of Public Roads, Mr. Charles D. Curtis, in which they approved the Bureau in this program—rather, they ask our interest, and that culminated in an administrative procedural, memorandum 2-12, dated January 24, 1958, entitled "Utilization of Excess Materials and Equipment," a copy of which is attached, together with an exhibit identifying various types of equipment that have been transferred.

The statement includes the value of equipment as transferred initially in the fiscal year 1957, when very little was done on this program, \$5,000; in fiscal year 1958, \$785,000; and fiscal year 1959, \$779,000.

Mr. Christensen was the person responsible for the negotiations with the General Services Administration, and perhaps he will give you some of the details of the operation.

Senator GRUENING. Now, you get excess supplies, do you not, before they become surplus?

Mr. CHRISTENSEN. Yes, sir. We obtain it in the excess category, but only after the General Services Administration has determined that no other Federal agency wants it for Federal purposes.

Senator GRUENING. Why are you last?

Mr. CHRISTENSEN. If we want it for our own purposes, we can get it under regular procedures, but if we want to turn it over to a State highway department, a ruling from the General Accounting Office provides that such transfer should be made only after determining that no other Government agency is in need of it. A Federal agency has priority over a State highway department in such situations.

Senator GRUENING. Why do you make a distinction between your own needs and State needs? I mean, we have a Federal-State highway program now, which is really so essentially Federal, I don't know whether there should be a distinction. You distinguished between the equipment you are going to use just on Federal highways and highways that are not Federal or have nothing to do with the Federal highway program, is that it?

Mr. CHRISTENSEN. Not particularly, but the Comptroller General, in answer to an inquiry, advised us that only the Federal agencies ought to be able to obtain this equipment ahead of any State agency. You see, we actually transfer title to the State, and it then becomes State property.

The theory behind it, as I understand it, is that the Government has an interest in it, and it has value to the Government, and only when it has no value to the Government or a Government agency should it be turned over to a non-Federal agency.

Senator GRUENING. Was this a fairly recent decision?

Mr. CHRISTENSEN. In July of 1957.

Mr. SMITH. I have the reference, B-132356, July 29, 1957. If you wish, I can read the last paragraph.

Senator GRUENING. I wish you would.

Mr. SMITH (reading):

Therefore, the proposed procedure should be modified to insure that the Bureau will not acquire for transfer to a State agency any excess property needed by another Federal agency for its own use; that is, to give other Federal agencies priority over the Bureau of Public Roads in the acquisition of excess property when the Bureau desires the property not for its own use but for transfer to State cooperating agencies.

Senator GRUENING. Was that a decision of the Comptroller General?

Mr. SMITH. A decision of the Comptroller General, dated July 29, 1957, B-132356. And it is in response to a letter to the Comptroller General from the Secretary of Commerce, under date of June 25.

Senator GRUENING. Would you be kind enough to present that whole correspondence for the record?

Mr. SMITH. Certainly, sir.

Mr. CHRISTENSEN. It is included in the material we are passing to you now.

Senator GRUENING. All right, thank you. It will be included in the record at this point.

(The material referred to follows:)

ACTIVITIES OF BUREAU OF PUBLIC ROADS UNDER PROGRAM THROUGH WHICH EXCESS GOVERNMENT PROPERTY IS ACQUIRED AND TRANSFERRED TO STATE HIGHWAY DEPARTMENT FOR USE FOR HIGHWAY PURPOSES

The General Services Administration, in a letter dated November 28, 1956, (exhibit A attached) approached the Bureau of Public Roads with respect to whether certain types of Government-owned equipment and materials expected to become excess to needs of Federal agencies could be used advantageously in the highway program. It was stated by the General Services Administration that much of the equipment and materials expected to become excess would undoubtedly still have considerable useful life and that substantial savings in highway construction costs could probably be effected by use of such equipment and materials. The Bureau of Public Roads pointed out that it does not itself engage directly in highway construction or maintenance, except to a very minor extent in special cases, but that construction and maintenance on the Federal-aid highway systems are almost exclusively under direct supervision of the State highway departments.

After exploring the matter, it was found that a provision that had been regularly included in Department of Commerce appropriation acts for many years would permit the Bureau of Public Roads to transfer excess Government property to cooperating State agencies. This provision is now included as section 308(b) of title 23, United States Code, approved August 27, 1958. An operating program was established in early 1957 and the applicable policies, controls, procedures, and implementing instructions are set forth in Bureau of Public Roads Administrative Memorandum 2-12 (exhibit B attached), which includes the method for paying the holding agency and securing reimbursement from the States.

The amounts recorded as necessary to acquire property for transfer to the States under the procedures outlined in Administrative Memorandum 2-12 were: fiscal year 1957, \$5,000; fiscal year 1958, \$785,000; and fiscal year 1959, \$779,000.

There is attached as exhibit C a statement of the types of equipment and materials transferred.

EXHIBIT A

GENERAL SERVICES ADMINISTRATION,
 FEDERAL SUPPLY SERVICE,
Washington, D.C., November 28, 1956.

Re utilization of excess.

Mr. CHARLES D. CURTIS,
*Commissioner, Bureau of Public Roads,
 Department of Commerce, Washington, D.C.*

DEAR MR. CURTIS: This Administration is interested in assisting your Bureau in carrying out its responsibility under the Federal-Aid Highway Act of 1956.

In this connection, as you know, General Services Administration is responsible for utilizing, to the maximum extent possible, that property which the Government already owns. Under this program, considerable quantities of good usable earth-moving and construction equipment are reported as excess for possible use by other Federal agencies, in carrying out their responsibilities. In addition to the equipment, construction materials such as reinforcing bars, structural steel, lumber and steel pipe are also available in excess stocks. In view of this tremendous roadbuilding program, you may be interested in working out arrangements whereby this Government-owned equipment could be utilized in the construction of roadways under this recent legislation.

This excess equipment and material is distributed over the entire United States, Alaska, Hawaii, and Puerto Rico, and its use close to the areas in which it is reported could save the Government worthwhile transportation costs. In addition, the scope of this roadbuilding program might develop a backlog of orders for the production of equipment which would result in unusual leadtimes for the purchase of such items. However, in the case of excess property, it is available as soon as reported and leadtimes are never a problem.

We are aware that the actual construction of the highways under the new program will not be the direct responsibility of your Bureau; however, we believe that some arrangements could be worked out, similar to methods used in the past, of the Government furnishing equipment, under certain conditions, which would result in reduced construction costs.

We would appreciate your assigning someone in your Bureau to work with our Utilization and Sales Division to the end that jointly we might be able to utilize this property in which the Government already has an investment. The Director of this Division, Mr. L. C. Tuttle, will be happy to meet with one of your staff members to further consider this idea. Mr. Tuttle may be reached on code 156, extension 5341.

Sincerely yours,

CLIFTON E. MACK,
Associate Commissioner.

EXHIBIT B

U.S. DEPARTMENT OF COMMERCE

Bureau of Public Roads

ADMINISTRATIVE MEMORANDUM 2-12

Date of issuance: January 24, 1958

ADMINISTRATION AND MANAGEMENT

Subject: UTILIZATION OF EXCESS MATERIALS AND EQUIPMENT.

Supersedes: AM 2-12, dated August 1, 1957.

1. PURPOSE

The purpose of this memorandum is to set forth the procedures in the Bureau of Public Roads for effecting the transfer to the State highway departments for highway purposes of materials and equipment declared excess to the needs of Federal agencies.

2. DEFINITIONS

a. The term "excess property" as used herein refers to property which has been reported to the General Services Administration by a Federal agency as

being excess to its needs and which is being held by the General Services Administration pending a canvass of other Federal agencies for possible need.

b. The term "surplus" property as used herein refers to Federal property for which the General Services Administration has determined there is no need by any Federal agency.

3. AUTHORITY

The transfers which would be made to the State highway departments under this procedure are based on the following provisions which has regularly appeared in Department of Commerce Appropriation Acts:

"During the current fiscal year appropriations for the work of the Bureau of Public Roads shall be available for expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment for distribution to projects under the supervision of the Bureau of Public Roads, *or for sale or distribution* to other government activities, cooperating foreign countries, and *State cooperating agencies*, and the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) may be reimbursed to current applicable appropriations." [Italic supplied.]

4. PROCEDURES

a. Equipment and materials declared excess by any agency of the Government are listed in circulars issued by the General Services Administration. Arrangements have been made by the General Services Administration to have its regional offices furnish copies of such circulars as contain items of highway interest to regional and division offices of Public Roads, with copies for the State highway departments, in the general area of the available property. A list of General Services Administration regional offices will be distributed separately.

b. Upon receipt from a State of an expression of interest in any items reported excess by the General Services Administration, the regional engineers should review the list and if it is concurred in, should immediately contact the appropriate regional office of the General Services Administration with a request that the equipment be temporarily held, pending inspection, for transfer to Public Roads for retransfer to the State.

c. If the State requests transfer after it has inspected the items, the regional office should then prepare a purchase order on Form CD-45, made out to the holding agency, as prescribed in the "Excess Personal Property Circular," describing the property.

(1) Distribution of the numbered copies should be as follows:

<i>Copy number</i>	<i>Disposition</i>
1, 4, 8, 9	To regional office of General Services Administration.
2, 3, 7	Retain in regional office of Bureau of Public Roads.
5	To State highway department for its files.
6	To State highway department for execution of "Property Received" box and return to regional office of Bureau of Public Roads when delivery has been completed.

(2) In the block on Form CD-45 designated "Shipped To," change the printed words to "Deliver To" and insert the name of the State highway department. After the articles have been described in the body of the purchase order, insert the following statement on the purchase order: "No expenses for shipping and no expenses for handling other than itemized herein shall be incurred for the account of Public Roads and no amounts other than as indicated on this purchase order are payable from the appropriation indicated." Any shipments required shall be made on "collect" commercial bills of lading.

(3) The purchase orders should show the value plus maximum estimated handling costs as determined from the holding agency, and the coding symbol will be 100-Region-State-30-0000 (for example, Region 3, Alabama, would be coded 100-0301-30-0000). All purchase orders should be entered to the allotment ledger sheet. The equipment will not be taken up in the equipment account of the region. Form CD-50 or CD-52, as required by the property manual prescribed by Administrative Memorandum 2-11, will not be prepared. The region should bill the State for the cost of the material or equipment and the amounts received should be deposited to the credit of the appropriation. The General Services Administration has determined administratively that the fair value for property transferred to Public Roads for retransfer to a State highway depart-

ment will be, in general, the fair value shown in the circular, but in no instance less than 10 percent of the acquisition cost. Fair value for use in a purchase order will have to be obtained in each instance from the regional office of the General Services Administration.

(4) Form PR-370 will be issued allotting amounts to take care of the obligations incurred by the regions. Prescribed accounting procedures shall be followed.

d. Requests from the States should include data necessary to complete the purchase order and the following statements:

(1) A statement that the equipment or materials have been inspected.

(2) A statement that the equipment or materials are needed for and will be used exclusively for highway purposes, and a further statement in the case of equipment that it will be so used throughout its useful life.

(3) A statement to the effect that the State will reimburse Public Roads for costs incurred by the latter in acquiring the property and transferring it to the State highway department.

(4) A statement that the State will assume full responsibility for inspection, transportation, servicing, storage, and utilization of the equipment, will make all necessary arrangements with the holding agency for its delivery, and will bear all costs in connection therewith.

(5) A statement to the effect that the State will transport the items with its own facilities, or make necessary arrangements for and pay the cost of shipment.

(6) A statement as to the estimated maximum amount to be included in the purchase order for handling by the holding agency as determined from the holding agency at time of inspection.

e. Regional engineers are authorized to administer the program and to execute such documents as are necessary to transfer title to the State.

5. GENERAL POLICIES

a. The Comptroller General has ruled that the Bureau of Public Roads may not acquire for transfer to a State agency any excess Government-owned property needed by another Federal agency for its own use. Therefore, any request from Public Roads for acquisition of such property for transfer to State cooperating agencies will not be approved by General Services Administration until it has determined that the property is not wanted by any other Federal agency for its own use. Action by the States and Public Roads to apply for transfers of excess property may proceed, however, without waiting for such determination to be made.

b. In general, property declared excess is retained in that classification for a period of 90 days from the date it is so reported to General Services Administration by the holding agency. If no Federal agency requests transfer of the property during this 90-day screening period, it is then reclassified as surplus. The 90-day period may be extended upon request through General Services Administration which will arrange with the holding agency for a suitable extension. Inasmuch as the rights of a Federal agency to obtain excess property are paramount to those of any non-Federal agency, private organization or individual, property that has been classified as surplus but not yet sold may be returned to the excess classification upon request to General Services Administration by a Federal agency. With respect to these principles, Public Roads, when acting to obtain property for transfer to States, may exercise the same rights as any other Federal agency, except as limited by the provision in paragraph 5a.

c. It may occasionally happen that a Federal agency has in its possession property that is excess to its needs but that has not been so reported to General Services Administration, or if reported, has not yet appeared on any circulated list. If a State learns of property in this category and desires to obtain it, the

same procedures as set forth in paragraph 4 may be used and if General Services Administration finds that the property is in fact available, the transfer will be effected under the same principles and procedures as are applicable to other excess property.

d. In instances where more than one State is interested in acquiring the same items of excess property, it will be left to the discretion of the regional engineer to decide upon an equitable allocation. Allocation on a "first come—first served" basis should, in general, be followed. There may be other considerations, however, such as need, or allocations previously made. In the event that two States in different Public Roads regions desire the same items, the regional engineers involved should discuss and decide the allocation.

e. Transfer to the State will be made at the acquisition cost to Public Roads, plus handling charges, if any.

f. In general, all contracts with installations holding excess property will be made by the State highway departments. It should be understood, however, that the General Services Administration has no authority to deal directly with a non-Federal agency in effecting transfers of excess Government property. For this reason any contacts made by employees of the State highway departments in accordance with the principles and procedures of this memorandum should be made as authorized representatives of the Bureau of Public Roads. In some instances the holding Federal agency may refuse admittance to its installations for inspection or delivery purposes to persons not having evidence that they are authorized representatives of a Federal agency. It may therefore be necessary, or at least desirable, for the regional (or division) engineer to give the State employees who are to inspect or obtain delivery of the property a letter specifically designating them as authorized representatives of Public Roads for the purpose. Such letters may be issued on a one-time or a continuing basis as the circumstances justify. It may be desirable for a Public Roads employee to accompany State personnel in the initial contact and occasionally thereafter as the situation warrants.

g. The State highway departments, if they so desire, may from time to time, submit to Public Roads for transmittal to the General Services Administration lists of the types and quantities of excess Government property they would like to obtain. This procedure will assure that notice is given if and when such items of property become available.

h. Regional engineers are expected to take such steps as are reasonably necessary to assure that there are no abuses of the intent of the program.

6. USE BY COUNTIES

a. Property acquired by a State highway department in accordance with the terms of this memorandum may be utilized by counties within the State, subject to the following conditions:

(1) The excess property will be used primarily on the Federal-aid primary or secondary system.

(2) The State highway department is satisfied that the county road unit is suitably organized and equipped to perform maintenance of Federal-aid projects.

b. Although the excess property may be utilized by the counties, there is no authority for transfer of the title to the equipment or recoverable materials. If the State desires, it may make arrangements with the county for reimbursement for the use of such equipment and materials.

7. DISTRIBUTION TO STATE HIGHWAY DEPARTMENTS

Copies of this memorandum are to be furnished the State highway departments, and the provisions thereof shall be applicable in the same manner as though it were a Policy and Procedure Memorandum.

B. D. TALLAMY,
Federal Highway Administrator.

EXHIBIT C

TYPES OF EXCESS GOVERNMENT PROPERTY ACQUIRED BY BUREAU OF PUBLIC ROADS AND TRANSFERRED TO STATE HIGHWAY DEPARTMENTS UNDER PROVISIONS OF AM 2-12

Tractors	Power shovel attachments
Power shovels	Crane attachments
Cranes	Trailers and semitrailers (low bed, gas tank, pole type, etc.)
Tractor-trucks	Jeeps
Trucks (dump, stake, cargo, pickup, etc.)	Automobiles
Buscs	Rollers
Snowplows	Compressors
Bituminous distributor	Crawler mounted conveyor
Bucket-type loaders	Generators
Truck forklifts	Asphalt heaters
Welding machines	Winches
Light plant	Paving breakers
Dump bodies with hoists	Power saws
Concrete forms	Vibrator
Power lawnmower	Axes
Pumps	Wrecking balls
Tree trimmers	Outboard motor
Sledge hammers	Sewing machine
Milling machine	Grinding machines
Lathe	Electric soldering irons
Jacks	Pipe wrenches
Wrench sets	Pipe thread cutters
Pipe cutters	Pliers
Drills	Engine overhaul stands
Wrecking bars	Lubricating guns
Circular saw blade	Machinists' files
Dripping buckets	Saw files
Anvils	Bench viscs
Air jamb holder	Wire rope cutters
Steelcutters	Suction hose assemblies
Tap sets (thread cutters)	Engincers' transits
Engineers' levels	Map printer
Steroscopes	Copy cameras
Multilith duplicator	Brinnell hardness tester
Slide projector	Wire brushes
Levels	Compasses
Steel tapes	Binoculars
Drafting machine	Tarpaulins
Surveying equipment sets	Drafting tables
Steel straightedges	Desks and tables
Electric fans	Letter files
Office chairs	Costumers
Storage cabinets	Linear foot wire
Linear foot cable	Pounds steel angles
Linear foot structural steel beams	Pounds welding electrode
Square foot steel	Pounds nails and spikes
Sets fire chains	Linear foot lamp cord
Linear foot cable rubber	Pounds rock salt
Sprayers	Road graders
Weasels	Magnet sweeper
Tar pot	Fire extinguishers
Valves	Router
Sanders	Tanks
Blowers	Electric motors
Saws	Regulators
Hose	Typewriters
Wheel balancers	Hammers
Miscellaneous office furniture	Jccp engines
Heating kettles	Pipe
Tractor attachments (bulldozers, scrapers, etc.)	Chains

JUNE 25, 1957.

The Honorable COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C.

DEAR MR. COMPTROLLER GENERAL: The purpose of this request is to obtain the advice and confirmation of the Comptroller General concerning a procedure recently developed by the Bureau of Public Roads in cooperation with the General Services Administration, under which excess materials and equipment would be obtained by the Bureau of Public Roads through the General Services Administration and transferred to State cooperating agencies for utilization in highway construction, maintenance, and research.

Under this procedure, the Bureau of Public Roads will acquire title to the excess property and will make reimbursement therefor in accordance with the established requirements of the General Services Administration. The Bureau of Public Roads will thereupon transfer the excess property to State highway departments or other State cooperating agencies with which the Bureau of Public Roads has entered into project agreements and will require such State cooperating agencies to make reimbursement in the same amount expended by the Bureau for such property. All reimbursement payments received by the Bureau of Public Roads from the States will be credited to current applicable appropriations. No surcharge will be imposed by the Bureau of Public Roads and any inspection, handling, transportation, and related costs will be borne by the State.

The Bureau of Public Roads will acquire the excess property under the provisions of the Federal Property and Administrative Services Act of 1949, as amended, and will transfer such property to State cooperating agencies based on the authority contained in the annual appropriations acts for the Department of Commerce. The most recent provision is contained in the Department of Commerce and Related Agencies Appropriation Act, 1957, approved June 20, 1956 (70 Stat. 321), the pertinent portion of which reads:

"During the current fiscal year appropriations for the work of the Bureau of Public Roads shall be available for expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment for distribution to projects under the supervision of the Bureau of Public Roads, or for sale or distribution to other Government activities, cooperating foreign countries, and State cooperating agencies, and the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) may be reimbursed to current applicable appropriations."

The foregoing procedure will be advantageous to the Federal Government in that it will provide a further means of utilization of property declared excess to the needs of other Federal agencies, with provision for reimbursement as above indicated. Furthermore, it will be in the public interest by assisting in the acceleration of the highway programs of the Federal Government and the States. It is understood that other Federal agencies are operating under similar procedures.

Your advice will be appreciated.

Sincerely yours,

GEO. T. MOORE, *Administrator*.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, July 29, 1957.

B-132356

The Honorable the SECRETARY OF COMMERCE.

DEAR MR. SECRETARY: On June 25, 1957, the Assistant Secretary of Commerce for Administration requested our advice on and confirmation of a procedure whereby excess materials and equipment would be obtained by the Bureau of Public Roads through the General Services Administration and transferred to State cooperating agencies for use in highway construction, maintenance, and research.

The procedure contemplates that the Bureau of Public Roads will acquire title to the excess property under the provisions of the Federal Property and Administrative Services Act of 1949, as amended, and make reimbursement therefor in accordance with the established requirements of the General Services Administration. The Bureau of Public Roads will thereupon transfer the excess property to State cooperating agencies under the permissive authority contained in the annual appropriation acts for the Department of Commerce. The State cooperating agencies receiving such property will be required to make reimbursement in the same amount expended by the Bureau for the property, such

reimbursement being credited to current applicable appropriations in accordance with the above-cited permissive authority. No surcharge will be imposed by the Bureau and any inspection, handling, transportation, and related costs will be borne by the State.

The contemplated procedure appears to be within the scope of the statutes cited and no question as to its legality will be raised by us. However, since the General Services Administration transfers excess property on a first-come basis, the procedure as proposed would permit the Bureau of Public Roads to acquire and transfer to the States excess property which was needed by another Federal agency, thus requiring the latter to procure identical property elsewhere at a substantially greater cost. Obviously, such a result was not intended by the Federal Property and Administrative Services Act or the permissive transfer authority contained in the annual appropriation acts for the Department of Commerce. The primary intent of the Federal Property and Administrative Services Act was to retain within the Government any property needed by any agency thereof in the performance of its statutory duties and to permit the disposal outside of the Federal Government of only such property as was not required for use by any Federal agency. The authority whereby the Bureau of Public Roads may sell property to State cooperating agencies is permissive only; that is to say, such sale is not a statutory duty of the Bureau. The acquisition by the Bureau and transfer to State agencies, under the proposed procedure, of excess property needed by another Federal agency would result in an anomalous situation whereby the Bureau would be furnishing Federal property to State agencies at relatively low cost while another Federal agency would be procuring identical property for its own use at a higher cost. Such a situation, obviously, should not be allowed to occur.

Therefore, the proposed procedure should be modified to insure that the Bureau will not acquire for transfer to a State agency any excess property needed by another Federal agency for its own use; that is, to give other Federal agencies priority over the Bureau of Public Roads in the acquisition of excess property when the Bureau desires the property not for its own use but for transfer to State cooperating agencies.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

Senator GRUENING. Let us see if I get it clearly.

You, as a Federal agency, are entitled to excess property before it becomes surplus?

Mr. CHRISTENSEN. Yes, sir.

Senator GRUENING. You rate, in that respect, with other Federal agencies. Are you in any particular order down the line, or at the top?

Mr. CHRISTENSEN. As I understand, other than possibly Defense, it is first come, first served.

Senator GRUENING. We need roads badly, and I hope you will be served early.

After you get this, which is all that you require, presumably, then you come to the surplus category. Do you also put in for that?

Mr. CHRISTENSEN. No, sir, we are not—

Senator GRUENING. So the surplus merely comes in when you get it for the States?

Mr. CHRISTENSEN. That is correct, unless we do happen to need something for our own purposes, and that is very little.

Senator GRUENING. So in the matter of road equipment or road-building machinery, judging from the testimony delivered this morning by a representative of the ICA, foreign countries have priority over the sovereign States of the Union.

Mr. CHRISTENSEN. I presume so. I would not be qualified to pass on that.

Senator GRUENING. They get it, get the property when it is merely excess, and not yet surplus, and distribute it, as we were told, \$23 million in the first half of this year, and the States can come along and get it only after it is surplus, if it is so allocated.

Then, it is clear that foreign countries in need of road equipment have priority over the States.

I wanted that information for the record.

Mr. CHRISTENSEN. The States, independent of the Bureau of Public Roads, can only obtain it if it is surplus, and cannot obtain it unless there is no use for it by other Federal agencies.

Senator GRUENING. I am not sure of this.

They can get it while it is in excess?

Mr. CHRISTENSEN. We can get it for them in the excess category.

Mr. SHRIVER. States and municipalities, not as such.

Mr. CHRISTENSEN. Only the State highway departments, through us.

Mr. SHRIVER. Through you?

Mr. CHRISTENSEN. Yes.

Mr. SHRIVER. You sift it over and say, "This is needed for Federal use," and after you get through with that, then it can be transferred to the State highway departments?

Mr. CHRISTENSEN. That is correct.

Senator GRUENING. Now, you get an excess of practically all types of equipment that are needed in road construction, don't you?

Mr. CHRISTENSEN. Road construction and maintenance work. There is also some equipment in the engineering category, which they use in survey work and things of that kind, and some equipment for repair shops.

Senator GRUENING. Where does that originate; or did it originate? Who first orders it or buys it? What agency or agencies?

Mr. CHRISTENSEN. Most of it comes from military, in the excess category.

Senator GRUENING. In other words, it is first ordered or procured by the military?

Mr. CHRISTENSEN. Generally so.

Senator GRUENING. And when they don't want it any longer, it is excess, and it is transferred to the Bureau of Public Roads?

Mr. CHRISTENSEN. When they declare it is excess to General Services Administration, then General Services Administration distributes circulars monthly, or at other periods as they see fit, indicating the equipment or property that others feel is excess to Government needs. Copies of those, through arrangements with them, go to our field offices and State highway departments.

Senator GRUENING. Does the Bureau of Public Roads, as such, order any equipment?

Mr. CHRISTENSEN. Only as requested by the State highway department.

Senator GRUENING. But in that case they presumably pay for it, or get it as surplus.

Mr. CHRISTENSEN. The State highway departments pay us, and we pay the holding agency that had it originally.

Senator GRUENING. Is that a regular procedure, that the States have that relationship with you?

Mr. CHRISTENSEN. Yes, sir.

Senator GRUENING. Then you really are acting as—

Mr. CHRISTENSEN. As intermediary.

Senator GRUENING. As intermediary or purchasing agent for the State.

Mr. CHRISTENSEN. Yes, sir.

I might add that when these circulars are distributed to State highway departments, they go over them, and if they have an interest in some items, they notify our field offices, which in turn notify GSA, and they hold them for us and arrange for inspection. The State highway department assumes all responsibility with respect to inspecting equipment to see if it is what they want, and make arrangements for it. When they decide they want it, they request us to get it for them. We get it transferred to us from the holding agency through GSA, and in turn we transfer it to the State highway department. They reimburse us, and we in turn reimburse the holding agency.

Senator GRUENING. Would you think it advisable to have the States move it into the same category as foreign countries and receive that road equipment as excess?

Mr. CHRISTENSEN. It might be desirable.

Senator GRUENING. I would consider it so. I don't know whether the Department has an opinion on the subject.

Mr. CHRISTENSEN. As far as I am aware, the Department has not considered the matter.

Mr. SHRIVER. In connection with the allocation of this property, did you say that the State highway departments reimburse the Bureau of Public Roads for it?

Mr. CHRISTENSEN. That is correct.

Mr. SHRIVER. Do they reimburse you at the same price you pay the military for it?

Mr. CHRISTENSEN. They reimburse us at the price that the GSA has set as its fair market value.

Mr. SHRIVER. Fair market value?

Mr. CHRISTENSEN. With a minimum of 10 percent. Some of it is set up by GSA as having no value, and if they want any of that, we charge a minimum of 10 percent.

Mr. SMITH. 10 percent of the original acquisition cost.

Mr. SHRIVER. Do you have any particular requirement as to utilization for a particular period of time; or how each piece of equipment shall be maintained?

Mr. SMITH. That is in our administrative memorandum.

Mr. CHRISTENSEN. We don't say a certain number of years, but when the State requests the equipment we ask them to submit a statement covering these particular items:

- (1) A statement that the equipment or materials have been inspected.
- (2) A statement that the equipment or materials are needed for and will be used exclusively for highway purposes, and a further statement in the case of equipment that it will be so used throughout its useful life.
- (3) A statement to the effect that the State will reimburse Public Roads for costs incurred by the latter in acquiring the property and transferring it to the State highway department.
- (4) A statement that the State will assume full responsibility for inspection, transportation, servicing, storage, and utilization of the equipment, will make all necessary arrangements with the holding agency for its delivery, and will bear all costs in connection therewith.

(5) A statement to the effect that the State will transport the items with its own facilities, or make necessary arrangements for and pay the cost of shipment.

(6) A statement as to the estimated maximum amount to be included in the purchase order for handling by the holding agency as determined from the holding agency at time of inspection.

Mr. SHRIVER. As of this date, the material you received is indicated on the bottom of page 1 of your statement, which indicates that in 1957 you had \$5,000 worth of equipment; in 1958 you had \$785,000.

Mr. CHRISTENSEN. Yes, sir.

Mr. SHRIVER. From the figures you have there, it would seem to indicate that your equipment program is just getting started.

Mr. CHRISTENSEN. We didn't do anything until we were approached by GSA in the fall of 1956, and it was 1957, about the middle of the year, before we actually got operating under it. It's only been about 2 years.

Mr. SHRIVER. After that equipment is turned over to the State, as far as you are concerned, you are through with it; title at that time is transferred to the State.

Is that correct?

Mr. CHRISTENSEN. Title is transferred to the State highway department. However, we do ask our field offices, who are in almost daily contact with the State highway departments, to keep an eye on it, to see that it is not abused. We don't ask them to go out and follow up each and every piece of equipment, but simply to determine whether it might be used improperly.

Senator GRUENING. Let me ask you this: Are you familiar with these various bills that are before the committee on the matter of surplus?

Mr. CHRISTENSEN. No, sir.

Senator GRUENING. There is a long list of them here, including one providing for disposition of surplus personal property of the government of Alaska.

Now, you have supplied, I imagine, some surplus road machinery to Alaska. Has the Bureau of Public Roads been in charge of that completely up to now?

Mr. CHRISTENSEN. Under this particular program I have been discussing—no. I understand the special legislation provided means by which the territory of Alaska could obtain equipment directly from the holding agency instead of going through the Bureau of Public Roads. Since they have become a State, there is no reason why the State highway department in Alaska could not operate under the same program, to the best of my knowledge. But I do not believe they have done so yet.

Senator GRUENING. Well, the transfer of functions has not actually taken place yet.

Mr. SHRIVER. The other question I had in mind was this:

In view of the amount of equipment being transferred to date, what is your estimate—or what is your view as to how much equipment will be needed in the future?

Mr. CHRISTENSEN. We haven't made any attempt to determine that. We merely act as an intermediary. If the State requests something, we attempt to get it for them. We haven't gone out and tried to aggressively promote the program in any way. We have asked or

suggested to them that they might make their needs known, so if the General Services Administration becomes aware that equipment is available, we could let them know. But we haven't been aggressively pushing the program in any way.

Senator GRUENING. Have you any estimate as to the total value of the property that you acquired as excess?

Mr. CHRISTENSEN. I would say it would be at least 10 times what you have there as the value of what has been transferred. Generally, it runs between 10 and about 50 percent of the original acquisition cost—the transfer basis.

Senator GRUENING. Have you any figures? You say here:

The amounts recorded as necessary to acquire property for transfer to the States under the procedures outlined in Administrative Memorandum 2-12 were: Fiscal year 1957, \$5,000; fiscal year 1958, \$785,000; and fiscal year 1959, \$779,000.

But you acquire a great deal for the Bureau of Public Roads. I want to know what those figures are.

Mr. CHRISTENSEN. For the Bureau of Public Roads own use?

Senator GRUENING. Yes.

Mr. CHRISTENSEN. Very little, except in Alaska.

Senator GRUENING. You don't know what it is in Alaska?

Mr. CHRISTENSEN. I don't know.

Senator GRUENING. Could you get that?

Mr. CHRISTENSEN. We can get it.

Senator GRUENING. Will you get it, for the record, please?

Mr. CHRISTENSEN. Yes, sir.²⁶

Within the continental United States, exclusive of Alaska, we do practically no work ourselves.

Senator GRUENING. I know. You are an advisory agency.

Mr. CHRISTENSEN. Yes, sir.

Senator GRUENING. Well, then, how much does the surplus amount to that you turn over to the State at their request, in round numbers, dollars per year?

Mr. CHRISTENSEN. The best estimate I could give you would be based on these figures that we have here, which are—

Senator GRUENING. A very small amount.

Mr. CHRISTENSEN. These figures represent the actual cash transactions.

Mr. SHRIVER. Those are excess?

Mr. CHRISTENSEN. Excess.

Senator GRUENING. Not surplus.

Mr. CHRISTENSEN. Not surplus.

Senator GRUENING. What about the surplus?

Mr. CHRISTENSEN. We haven't been involved in that at all.

Senator GRUENING. If I understood you correctly, you did get surplus and transfer it to the State, didn't you?

Mr. CHRISTENSEN. We get it while in the excess category, before it becomes surplus.

Senator GRUENING. You get it beforehand?

Mr. CHRISTENSEN. Yes, sir.

Senator GRUENING. Thank you very much. We appreciate you coming up here.

²⁶ Information requested on file with the subcommittee.

Our next witnesses are Mr. James J. Burns, accompanied by Mr. Charles M. Manning, Assistant General Counsel, OCDM.

We are very glad to have you here. Do you have a prepared statement?

MR. BURNS. Yes, sir, I do.

SENATOR GRUENING. Very well, go right ahead, Mr. Burns.

STATEMENT OF JAMES J. BURNS, SPECIAL ASSISTANT TO THE ASSISTANT DIRECTOR FOR PLANS AND OPERATIONS, OCDM; ACCOMPANIED BY CHARLES M. MANNING, ASSISTANT GENERAL COUNSEL, OCDM

MR. BURNS. My name is James J. Burns. I am Special Assistant to the Assistant Director for Plans and Operations, Office of Civil and Defense Mobilization. We appreciate the opportunity to comment upon a number of bills pending before your committee.

The Office of Civil and Defense Mobilization has previously furnished written comments on certain of these bills or upon similar legislation pending in the House of Representatives. We have in general opposed the extension of eligibility to additional agencies. It seems appropriate to quote our position as set forth in a recent letter to the chairman, Committee on Government Operations of the House of Representatives:

The bill would add to the list of eligible donees of surplus property the State fish and wildlife management activities which we understand would require much of the same type of surplus property that is in demand by present eligible donees.

The current needs of civil defense, schools, and hospitals are not being fully met by the type of surplus property that is available. We feel that the emergency readiness of the Nation should take precedence over groups of more limited interest, regardless of how desirable their aims and objectives may be. Accordingly, until the expanding requirements of the Office of Civil and Defense Mobilization are met, we would oppose further broadening of the donation base.

The Office of Civil and Defense Mobilization recommends against the enactment of H.R. 7730.

The Bureau of the Budget advises that there is no objection to the submission of this report.

We have furnished similar views relative to the proposal to extend eligibility to agencies engaged in cooperative agricultural extension work, and to volunteer firefighting organizations. With respect to the latter type of organization, however, we have pointed out that there is now authority for donation of equipment if the groups are integrated into civil defense, have an assigned mission in the civil defense plan, and use the donated property for civil defense purposes. In addition, such organizations that are not integrated into civil defense may purchase surplus property through negotiation under the procedures of the General Services Administration.

We have not commented upon bills which would extend eligibility to libraries, to welfare agencies, to recreation agencies, to the New Mexico Boys Ranch, to Indian tribes, or to the bill which provides for the disposition of surplus property to the Government of Alaska, or to the bill authorizing the taking of surplus property outside the continental United States.

Certain types of surplus property, properly located and used, can furnish the stimulus for stronger State and local civil defense units

throughout the country. Just 2 fiscal years have elapsed since the distribution of surplus property to civil defense units was authorized by an amendment to the Federal Property and Administrative Services Act. During this brief interval, we have negotiated agreements or plans with all States and have distributed surplus property which had an initial acquisition value of \$83 million. Of this amount, \$35 million was distributed in fiscal 1958, and \$48 million in fiscal 1959. This represents an increase of 37 percent. We understand that during 1958, approximately \$302 million worth of property was made available for health, education, and civil defense purposes. This amount rose to \$360 million during 1959, or an increase of 19 percent. In other words, the distribution of civil defense property rose at almost twice the general rate. The increased emphasis on civil defense property may be measured in another way. In 1958 approximately 11 percent of all property was donated for civil defense purposes. The percentage rose to 13.3 in 1959.

Some indication of the volume of transactions may be gained from the fact that approximately 23,000 disposition documents were processed by OCDM in fiscal year 1959. Our feeling is that we are just beginning to get substantial experience with this new program.

Civil defense organizations may receive surplus items for training, for operational readiness, and as reserve stocks. Our first civil defense use is for training. This means that the equipment is available for programs of training designed to teach civil defense personnel their responsibilities and duties in emergency assignments, or to develop operational skills in the performance of such duties. An example of this type of surplus equipment would be a projector needed to show slides or movies, as visual aids in a civil defense training course. The second use is for operational readiness which is defined as the state of preparedness which enables civil defense organizations to carry out their emergency functions. A sample of this type of equipment is a standby generator to furnish power for radio communication. A third use is for reserve stocks. This refers to material, equipment, and supplies placed in storage for emergency use only. It generally includes such items as blankets, cots, bandages, and other medical supplies. It should be understood, of course, that any equipment acquired for training may also have operational value. Although surplus items may not be acquired for natural disaster relief, articles obtained for any authorized civil defense purpose may be used to alleviate suffering and damage resulting from a major natural disaster so declared by the President under Public Law 875 of the 81st Congress.

Senator GRUENING. Let me interrupt.

Does that mean a so-called act of God, such as a hurricane or tornado, or flood, or something of that nature?

Mr. BURNS. Yes; which the local people can't handle themselves, major in nature, and then OCDM moves in to coordinate all activities to alleviate suffering.

Senator GRUENING. So even though there is no attack by an enemy, you function as an emergency agency when a disaster of that kind occurs?

Mr. BURNS. That is right. Even to the extent of transmitting Weather Bureau warnings. We have relationships with the weather

bureaus throughout the country. For instance, if we heard that in Kansas City, the radar showed from the weather station that there was a tornado in prospect, we get word from the Weather Bureau personnel and at the request of the Weather Bureau, can flash the word down as low as the State police barracks, to let the people know what is coming, and to coordinate action. Of course, we can't keep it from coming, but we can help the people hit by it, and surplus property is one of the means we use.

Senator GRUENING. Thank you. Go ahead.

Mr. BURNS. The surplus program requires the close cooperation of the Office of Civil and Defense Mobilization, Department of Health, Education, and Welfare, General Services Administration, the holding agency, the State agency for surplus property, the State civil defense office, and the donee civil defense agencies. The lines of communication and the responsibilities are spelled out through appropriate agreements. OCDM furnishes guidance as to the types of items which are suitable for civil defense use, guidelines for the allocation of property on the basis of need and utilization, and insures compliance with the provisions of the law. An important part of the OCDM responsibility rests upon the regional director who must, among other things, review the overall operation of State programs in his area, disseminate program information and regulatory materials and provide staff members for State guidance. He must also assist the director of OCDM in obtaining program compliance and in reporting any improper procedures, taking corrective action as required. Of the thousands of items distributed to States and local civil defense agencies in the last 2 years, approximately 4,000 items had an acquisition cost in excess of \$2,500. Since we keep punchcard data on the items distributed, we were recently in a position to select a sample (about 8 percent) from a randomly distributed set of cards which had been used for other purposes. When the cards were selected and the data listed, we asked our regional directors to perform a physical review of 323 specific items of surplus property donated to civil defense organizations. We are now tallying results of this review. Perhaps the most significant observation so far is that in this sample we found no instances of private or personal use of the equipment. Although we do require civil defense marking for equipment, we discovered that 133 items were not so marked. In 32 cases the equipment required rehabilitation, and inadequate maintenance was found in 26 cases. Eighteen items were reported as being used for public purposes other than civil defense.

Our regional directors have taken corrective action in all instances of deficiencies noted and are scheduling followup visits. We are planning ways and means to better orient the donees and equipment custodians to insure prompt and adequate marking of equipment and place more emphasis on rehabilitation and maintenance of the equipment. Our sample study will be repeated from time to time, perhaps being oriented to specific types of equipment. We believe that from a strictly statistical viewpoint the size of our sample might be decreased, but that there are administrative values in retaining a sample of the present size.

We are sure you realize that our launching of this program would not have been nearly as smooth without the close cooperation and

firm support of the State and city civil defense directors, the Department of Health, Education, and Welfare, General Services Administration, as well as the personnel of the various holding agencies and those of the State surplus property agencies.

We would like to insert in the record several statistical tables, covering fiscal years 1958 and 1959. The 1959 data are, of course, preliminary.

(The statistical tables referred to, acquisition value of surplus property received by States, fiscal years 1958 and 1959, follow:)

TABLE 1.—*Acquisition value of surplus property received by States, fiscal years 1958-59*

[In millions and percentages]

	1958	1959	Percent increase
1. For civil defense purposes-----	¹ \$35	\$48	37
2. For all purposes-----	302	360	19
3. Percent civil defense property is to all property-----	11	13	-

¹ 1958 includes \$2 million distributed in the closing months of fiscal 1957, as the program started.

PURPOSE FOR WHICH SURPLUS PROPERTY WAS DONATED TO CIVIL DEFENSE AGENCIES, FISCAL 1959

	Millions
Training-----	\$21.7
Operational readiness-----	25.7
Reserve stock-----	.6
Total-----	48.0

TABLE 2.—*Acquisition cost of surplus property received by regions and States for civil defense purposes, fiscal year ended June 30, 1959*

Total-----	\$47, 925, 821	Region 3-----	\$8, 280, 289
Region 1-----	7, 419, 575	Alabama-----	1, 282, 906
Connecticut-----	1, 080, 996	Florida-----	2, 206, 631
Maine-----	1, 526, 853	Georgia-----	2, 560, 838
Massachusetts-----	962, 027	Mississippi-----	0
New Hampshire-----	365, 920	North Carolina-----	1, 441, 353
New Jersey-----	1, 130, 204	South Carolina-----	198, 488
New York-----	2, 065, 036	Tennessee-----	521, 912
Rhode Island-----	219, 845	Puerto Rico-----	68, 161
Vermont-----	68, 694	Virgin Islands-----	0
Region 2-----	6, 416, 557	Region 4-----	7, 994, 080
Delaware-----	47, 221	Illinois-----	2, 428, 903
District of Columbia-----	0	Indiana-----	911, 515
Kentucky-----	834, 903	Michigan-----	2, 716, 520
Maryland-----	794, 194	Missouri-----	1, 460, 182
Ohio-----	1, 588, 002	Wisconsin-----	476, 960
Pennsylvania-----	2, 356, 151		
Virginia-----	601, 712		
West Virginia-----	194, 374		

TABLE 2.—*Acquisition cost of surplus property received by regions and States for civil defense purposes, fiscal year ended June 30, 1959—Continued*

Region 5-----	\$5,618,287	Region 7-----	\$7,485,628
Arkansas-----	1,445,579	Arizona-----	146,783
Louisiana-----	1,233,236	California-----	6,666,730
New Mexico-----	75,965	Nevada-----	90,486
Oklahoma-----	702,813	Utah-----	556,931
Texas-----	2,160,694	Hawaii-----	24,698
Region 6-----	3,208,998	Region 8-----	1,502,407
Colorado-----	849,826	Alaska-----	58,939
Iowa-----	389,158	Idaho-----	340,940
Kansas-----	195,448	Montana-----	64,714
Minnesota-----	792,622	Oregon-----	276,263
Nebraska-----	120,712	Washington-----	761,551
North Dakota-----	116,434		
South Dakota-----	477,956		
Wyoming-----	266,842		

TABLE 3.—*Surplus construction and excavating equipment donated to the States for Civil Defense purposes*

[Fiscal years 1958-59]

Regions and States	1958	1959	Regions and States	1958	1959
U.S. total-----	\$2,466,201	\$4,541,958	Region 4-----	\$638,102	\$806,327
Region 1-----	306,305	684,162	Illinois-----	205,174	185,556
Connecticut-----	88,322	71,106	Indiana-----	41,553	16,072
Maine-----	19,930	475,087	Michigan-----	215,774	361,034
Massachusetts-----	29,223	11,921	Missouri-----	116,796	230,311
New Hampshire-----	0	39,132	Wisconsin-----	58,805	113,354
New Jersey-----	22,360	0	Region 5-----	143,889	251,746
New York-----	145,495	82,045	Arkansas-----	0	0
Rhode Island-----	975	4,871	Louisiana-----	87,138	50,971
Vermont-----	0	0	New Mexico-----	0	0
Region 2-----	10,352	98,697	Oklahoma-----	48,975	75,791
Delaware-----	0	1,573	Texas-----	7,776	124,984
District of Columbia-----	0	0	Region 6-----	164,358	417,849
Kentucky-----	0	28,960	Colorado-----	29,593	61,911
Maryland-----	0	19,412	Iowa-----	0	22,733
Ohio-----	0	5,264	Kansas-----	0	0
Pennsylvania-----	200	43,074	Minnesota-----	36,151	63,711
Virginia-----	10,152	414	Nebraska-----	11,042	250
West Virginia-----	0	0	North Dakota-----	0	0
Region 3-----	420,874	751,691	South Dakota-----	87,572	261,044
Alabama-----	69,116	213,323	Wyoming-----	0	8,200
Florida-----	89,996	127,463	Region 7-----	594,075	1,304,679
Georgia-----	197,920	374,196	Arizona-----	24,123	6,787
Mississippi-----	0	0	California-----	565,864	1,154,202
North Carolina-----	15,958	15,823	Nevada-----	4,088	8,841
South Carolina-----	0	0	Utah-----	0	134,849
Tennessee-----	0	20,886	American Samoa-----	0	0
Canal Zone-----	0	0	Guam-----	0	0
Puerto Rico-----	47,884	0	Hawaii-----	0	0
Virgin Islands-----	0	0	Region 8-----	188,246	126,807
			Alaska-----	0	0
			Idaho-----	28,196	65,736
			Montana-----	0	0
			Oregon-----	0	0
			Washington-----	160,050	61,071

Senator GRUENING. Thank you very much.

Let me ask you a question: How many of those 323 items checked at a value in excess of \$2,500?

Mr. BURNS. Oh, sir, our sample was picked from 4,000 items which had a value in excess of \$2,500, so all were in excess of \$2,500.

Senator GRUENING. What were some of the items—trucks?

Mr. BURNS. Some of the items would be trucks, ambulances, construction equipment, projects for all sorts of items, a fair cross section of all the various types of items, because the sample was a random sample, and was not concentrated by types.

Senator GRUENING. Do you make specific requests for certain amounts of surplus, or do you just take whatever you can get?

Mr. BURNS. Well, neither, sir. We have first an operational plan for each State. That plan was developed from what we call our survival project, or survival contracts where the State spells out its needs, what it needs staffwise and equipmentwise, in order to run an adequate civil defense program. Any request by a State or local civil defense organization must be for equipment which may be utilized well in carrying out some phase of that project. We have taken the Federal stock catalog classification. We have gone down each of the classifications from the 1500 series to the 9900 series, and in each group we have marked out items suitable and usable for civil defense, and those which are not. That is, some of those which are not, are subject to special justification.

Senator GRUENING. How much storage is there of items? You talk about getting cots and chairs and blankets, and things of that sort, in the event of emergency. They must require considerable space.

Do you have to acquire storage space in your particular communities?

Mr. BURNS. Not significantly, sir. Equipment is stored generally with public agencies in existing facilities.

Now, for example, I mean our reserve stocks—I mentioned them—but equipment like blankets, which are procured solely for emergency use, represent a very small percentage of our acquisition. So far, they represent only about \$600,000.

The major needs are split between training and operational needs. The breakdown is \$21.7 million for training and \$25.7 million for operational readiness. Those items are in community use.

Senator GRUENING. What is the nature of the training?

Mr. BURNS. Well, for instance, training firefighters, how to be auxiliary firefighters, how to develop and train auxiliary policemen as rescuers, welfare workers who can man emergency feeding stations or food stations, to take care of evacuees coming from an area under attack, commercial communications workers. And it runs the whole gamut of civil defense skills.

Senator GRUENING. There has been placed in the record previously an editorial from the Springfield Daily News, I believe, of Springfield, Ohio, in which it was pointed out that thousands of dollars worth of civil defense equipment had been improperly used and that the Champaign County officials apparently had misused it and were called upon to return it.

Are you familiar with that episode?

Mr. BURNS. I can tell you this much about it, Senator: The incident was Carpentersville, Ill. We have launched an investigation. We found the facts, our regional office had discovered them, and we worked very closely with the investigating agencies, and at the present moment that case is in the hands of a grand jury. The United States attorney at Springfield told us on July 28 that the Federal grand jury is continuing the inquiry. I will be happy to give a background memorandum or some summary of that, but we don't know whether that would be particularly suitable for an open hearing.

Senator GRUENING. I just would be glad to have it for the record.

You referred to Carpentersville, Ill., and I referred to Springfield, Ill., I believe, but the editorial in question, which was introduced by Senator Young, of Ohio, referred to Springfield, Ohio.

Presumably there was more than one case of this kind, and the misuse was charged to the Champaign County officials; so that is another case, apparently.

Mr. BURNS. Apparently it must be. We would be happy to look into it and see what there might be in it.

Senator GRUENING. I wish you would. The editorial was introduced into the Congressional Record of Wednesday, July 29, 1959. You will find it there, and that will give you a lead as to where to investigate.²⁷

Mr. BURNS. We will do that, sir.

Senator GRUENING. I would like to have a report from you as to what is known about it at the present time, and what, if anything, is contemplated to be done about it.

Mr. BURNS. We will check it out and give you a complete report on it, sir.²⁸

Senator GRUENING. When you distribute this surplus equipment, what method do you have of controlling its use, checking on its proper use?

Mr. BURNS. Well, the way we do it is this, sir: It must go to a recognized local civil defense unit. Now, our regional directors, they have eight, in eight cities, each is staffed, they have to make checks on end item use of the equipment, they have to have people go around from time to time to see that the equipment is being used for the purpose for which it is designed, to see that it is properly marked as civil defense equipment.

That marking actually is of value, because the public will report improper uses of equipment.

And then they have got to see that it is properly maintained.

This statistical study I was talking about a while ago is one of the means used to get facts as to how well the program of inspection works.

Senator GRUENING. Who pays for the maintenance cost of the equipment?

Mr. BURNS. The donee pays for the maintenance cost.

Senator GRUENING. After he gets it, he is responsible for it?

Mr. BURNS. He is responsible for it; that is right.

Senator GRUENING. Mr. Shriver raises a question as to the accountability of this property after it is allocated. Is there a sense of responsibility on the part of the local agency that receives it?

²⁷ See p. 100 for article entitled "Civil Defense: So What Is Money?" Congressional Record (p. A6557), July 29, 1959.

²⁸ See letter from OCDM, dated Aug. 18, 1959, p. 263.

Mr. BURNS. Yes, sir; there is a sense of responsibility and there is an accountability. They own the property, but they have an accountability to use that in accordance with a fit and suitable manner for training or for operational readiness. The Federal Government has divested itself of title, but through inspection and civil defense exercises we are aware of how the equipment is being used. In addition, we also have a punchcard record of the equipment and we can make it available by asking States to ship it across State lines for actual use in other States, for disaster purposes. We have a picture of where the equipment is, what it cost, and from that punchcard information we get a complete line of information for statistical tables.

Senator GRUENING. Does your agency get all the equipment it needs from surplus?

Mr. BURNS. I would say "No." That is hard to measure. Right now we are scouting around trying to find things such as generators for service as an alternate supply of electricity.

Senator GRUENING. Generators?

Mr. BURNS. Generators. For example, our assumption is that under attack conditions the whole country would be immobilized for 14 days after the attack, from D to D-14. We will not make communications equipment available to communities under our matching fund program until they have assured us they have in place or on order generators to operate their radio equipment under attack conditions, and that they have on hand a 14-day fuel supply to run the generators.

In other words, we won't take anything on an "iffy" basis. If we are going to have our communications, we want them to be under such conditions that we can depend on them.

Mr. MANNING. These are auxiliary generators.

Senator GRUENING. And if you can't get it from surplus?

Mr. BURNS. The situation is, the civil defense organizations may obtain it and be reimbursed up to half the cost by our matching fund program, what we call our hardware program.

Senator GRUENING. In other words, the Federal Government pays half and the community pays half?

Mr. BURNS. That is right. So if we get it from surplus, we achieve a definite savings to the Federal Government.

Mr. MANNING. I might mention, Senator, that all the equipment which we have donated under the surplus property program would have been eligible, except for one or two isolated exceptions, the Federal Government sharing one-half of the cost with the State and political subdivisions.

Senator GRUENING. Are you acquiring any cement for surplus?

Mr. BURNS. Not to my knowledge. We have a list of certain types of items which we are interested in, and those we are not. They come from the Federal supply classification. And I guess cement comes under nonmetallic crude materials. We are not interested in that group. There are lots of other groups in which we don't have any direct interest.

Senator GRUENING. There is talk, as you know, about building shelters as a part of a major program. I don't know whether you are stimulating that program in any way or not.

Mr. BURNS. We have been trying to stimulate the program. We have a national policy aimed at developing an awareness among State

governments and individuals of the problems of fallout shelters, as distinguished—and the need for fallout shelters as distinguished from blast, but I have no recollection of a request for surplus crude materials used in that area.

Senator GRUENING. Have you erected anywhere any type of shelters to indicate what you think would be suitable?

Mr. BURNS. We have an appropriation which became available to us, or becomes available when the appropriation is signed this year, to spend about \$2½ million on appropriate types of shelters, and we have a program which would include shelters in probably a couple of hospitals, probably four or five schools, and various types of home shelters, scattered around the country, and so designed that we will be able to exhibit them to people and show them how to build them, what they cost, and what they can do with the shelters.

Senator GRUENING. What are the materials?

Mr. BURNS. The materials would be, in general, wood and cement.

Senator GRUENING. Wood and cement?

Mr. BURNS. Yes, sir.

Senator GRUENING. Have you any idea how much a shelter for an individual family would cost?

Mr. BURNS. A shelter for an individual family, we price it somewhere between \$800—is it?—and \$1,200. It depends on the type.

Senator GRUENING. Could you describe it?

Mr. BURNS. I will give you my own inadequate layman's description of it.

We can give you a more technical description also.

You take a corner of a basement and shore it up with wood and then protect the outside of the basement, the window wells, by putting dirt in there.

You need some sort of a device to filter out fallout, itself, you need sanitary facilities, usually in the form of a chemical toilet, and a steady supply of drinking water, which you might even get from your hot water tank. And, you need a supply of food and a few elementary things such as a radio for getting instructions. That gives you a certain amount of protection and if it is scientifically built, the protective factors can be increased and we have issued instructions to the public and to others as to just how these shelters can be built. We want them built, we think they are essential.

Mr. MANNING. Senator, we have a publication called "Fallout Shelters" designed primarily for assistance in constructing shelters in the homes, which we will be pleased to make available for the record.²⁹

Senator GRUENING. Will you please make it available for the committee?

Mr. MANNING. Yes, sir.

I believe, sir, in connection with cost, my recollection is that the Director of OCDM gave his estimate that his fallout shelter in his basement cost him \$212; is that not right?

Mr. BURNS. That's true.

Mr. MANNING. That is the structure, placed in the basement to adapt it to a fallout shelter.

²⁹ The publication entitled "Fallout Shelters" is on file with the subcommittee.

Senator GRUENING. How long is it anticipated people would have to stay in this shelter?

Mr. BURNS. A minimum of 2 weeks.

Senator GRUENING. Then you would have to have pretty good housekeeping appointments or arrangements, would you not?

Mr. BURNS. That is true. We are basing it strictly on austerity program, with the need of a minimum of chemical toilet, and at least a good supply of water and a supply of food—as a minimum.

Senator GRUENING. Would there be any provision of cooking food, or would that be eaten raw?

Mr. BURNS. My guess is it would probably have to be eaten out of cans. You see a can, itself, provides certain protection against fallout and if you open it, you can eat the food that's in the can, but whether you have canned cooked food or uncooked food I wouldn't be able to say.

Senator GRUENING. As I understand, you are willing to admit the volunteer firefighters provided they are a part of your program.

Mr. BURNS. They come in at the present time as part of the civil defense program, that's right, without the need for additional legislation.

Senator GRUENING. Now, excepting for these generators, which is a rather special category of equipment, do you find difficulty in getting your other needs satisfied? Do you get enough trucks, enough ambulances, enough blankets and cots, for instance?

Mr. BURNS. Senator, I couldn't give you a specific answer on that, because the demand is erratic. I can tell you the area of equipment where we think there is a definite need that is usable and necessary for civil defense, and I will be happy to put that in the record. We have a tabulation here of the area in which we are interested and as to available supply, and the estimates are a matter of geography or special circumstances or inability of local organizations to finance a deal or maybe they don't even know about what they can get, so it will be hard for me to say flatly that we need this particular group at a particular time. We do feel that with only 2 years experience in the program, and it has grown 37 percent in a year, that it is possible to look ahead for some time before we can say that we have enough or more than enough.

Senator GRUENING. Your opposition to this legislation, then which would include other agencies, is based on the fact that you think if others were included you might not get enough yourself, is not that correct?

Mr. BURNS. That is about it. As we put it here, the need for preparedness should take priority over other aims. However, there are areas of equipment that we have said we do not need, and we will be happy to indicate that—certain things, for example such as musical instruments, phonographs, innumerable other items throughout these various categories in the Federal supply area, we don't see any definite civil defense need for them.

Now, in any area it is possible that some local agency may be able to make a case, but offhand, we have quite a few areas where we do not see a civil defense need.

Senator GRUENING. You do not think that people closed in, in an emergency shelter, would need some diversion by way of music to keep their minds off their troubles?

Mr. BURNS. I think perhaps they do, music, prayer, and everything else. We don't make donations to people, we make it only to local civil defense agencies.

Senator GRUENING. Well, thank you very much.

We appreciate your coming up here today.

Senator GRUENING. Mr. Moot, Mr. Garvey, and you gentlemen, would you identify yourselves for the record so that when you speak, your answers may be properly assigned or credited to you.

We had some testimony this morning from Mr. Hubert Snyder of the American Recreation Society, who was interested in acquiring some real estate for recreational purposes, belonging to one of our gun factories or arsenals near Baltimore. There is some Army property there that has to do with the production of weapons and ammunition, and the recreational agency was wondering whether any of that could be declared surplus and if so whether it could be made available to them?

**STATEMENTS OF LT. COL. JOHN F. REY, CHIEF, SURPLUS DISPOSAL
BRANCH, AND ROBERT C. MOOT, STAFF DIRECTOR, MATERIAL
MANAGEMENT DIVISION, OFFICE, ASSISTANT SECRETARY OF
DEFENSE (SUPPLY AND LOGISTICS); JAMES A. GARVEY, ASSIST-
ANT COMMISSIONER, OFFICE OF UTILIZATION AND SALES, FED-
ERAL SUPPLY SERVICE, GENERAL SERVICES ADMINISTRATION;
LEWIS C. TUTTLE, DIRECTOR, UTILIZATION DIVISION, FEDERAL
SUPPLY SERVICE, GSA; ROBERT T. DAVIS, DIRECTOR, LEGISLA-
TIVE DIVISION, GSA; AND CHARLES W. GASQUE, JR., ASSISTANT
GENERAL COUNSEL, GSA**

Mr. GARVEY. As I recall, Mr. Chairman, this property has not yet been declared excess to the Department of Defense.

Senator GRUENING. It is in active use now.

Mr. GARVEY. I believe so.

Mr. Moot. I think he was referring to a piece of the Aberdeen Proving Grounds this morning.

Senator GRUENING. I think so. There is nothing there that is going to be declared excess, is there?

Mr. Moot. I really don't know, Senator. We can determine whether or not it is going to be declared excess, insofar as the Department of Defense is concerned.

Senator GRUENING. I wish you would find out about that, because there is a great need of course in our metropolitan areas for additional space for recreational activities, and while we don't want to interfere with defense activities in any way, with our changing weapons and needs, it seems that property that was very useful in the days of gun powder are no longer as vital as they once were. We find that is the case at the Joliet Arsenal.

(The information requested is as follows:)

POSSIBLE DISPOSAL OF LAND AT ABERDEEN PROVING GROUND

Department of Army is initiating a report of excess on 300 units of sub-standard family housing (FHA) at Aberdeen Proving Ground. This report of excess will include 63 acres of land.

Except for the 63 acres above, Aberdeen Proving Ground is fully utilized for Army ordnance and chemical development and testing and considerable areas of land are contaminated with high explosives and toxic chemicals which render it unsuitable for any other purpose.

The Department of Army has no plan at this time for disposing of any other land at Aberdeen Proving Ground.

Senator GRUENING. Let me ask you how much surplus altogether is there, by years, that is now turned out to the various agencies available for them, what is the total amount?

Mr. GARVEY. Last year, Mr. Chairman, there was \$8 billion declared excess to the needs of the Federal Government.

Senator GRUENING. \$8 billion?

Mr. GARVEY. Yes, sir.

Senator GRUENING. Last year?

Mr. GARVEY. This is at the acquisition cost of the property to the Government. Now, we reduce the \$8 billion through Federal utilization screening for the purpose of taking away from it that property the Federal Government needs.

Senator GRUENING. That is the other Government agencies?

Mr. GARVEY. Yes, sir.

Thereafter as surplus property the remainder is run through a screening process for the purpose of turning over to the States that portion which they need.

The residual, sir, goes to public sale.

Senator GRUENING. How much is the \$8 billion diminished by when you get to the excess screening for Government agencies which are entitled to it? How much does it shrink before it gets down?

Mr. GARVEY. Last year the total amount that was approved for Federal utilization and State donation was slightly in excess of a half billion dollars.

Senator GRUENING. In other words, you dispose of \$7½ billion before it becomes surplus.

Mr. GARVEY. \$7½ billion would at this point become available for public sale.

Senator GRUENING. It will become available for sale or for distribution as surplus.

Mr. GARVEY. No, sir.

Senator GRUENING. You start with \$8 billion declared excess.

Mr. GARVEY. Yes.

Senator GRUENING. And you screen that.

Mr. GARVEY. A half a billion was channeled to the purposes of the Federal Government or to the States, the balance would become available for sale.

Senator GRUENING. In other words \$7½ billion becomes available for sale.

Mr. GARVEY. Yes, sir.

Senator GRUENING. How much of that \$7½ billion is sold, and how much of it is put away as surplus?

Mr. Moot. Could I insert one very important fact here?

Senator GRUENING. Yes.

Mr. Moot. In terms of the \$8 billion that Mr. Garvey has mentioned, it is very important to recognize that approximately 60 percent of it is disposed of as scrap, it has no other utilization value. This committee I think is primarily interested in the amount of usable property.

Senator GRUENING. That's right.

Mr. Moot. Versus scrap.

So, I think it would be better for a point of reference to start from the usable property figure which is 40 percent of the \$8 billion, or \$3.2 billion.

Senator GRUENING. This is very useful. In other words, 60 percent are old battleships, destroyers, and things of that kind, just destroyed and sold for scrap.

Mr. Moot. For scrap.

Senator GRUENING. So, we get to the figure of 40 percent of \$8 billion.

Mr. Moot. That's right.

Senator GRUENING. That is usable property, presumably.

Mr. Moot. Forty percent is usable.

Senator GRUENING. I take it, does that include real estate?

Mr. GARVEY. No, sir; this is strictly personal property.

Senator GRUENING. Things.

Mr. GARVEY. Yes, sir.

Senator GRUENING. How much—40 percent of \$8 billion will amount to what?

Mr. Moot. \$3.2 billion.

Senator GRUENING. How much of the \$3.2 billion is distributed to other Government agencies as excess before it gets to the surplus category?

Mr. GARVEY. The figure I quoted before is still applicable.

Senator GRUENING. What?

Mr. GARVEY. We utilized for Federal purposes last year \$141 million by transferring it largely from the Department of Defense to the other Federal agencies, and the Department of Health, Education, and Welfare processed paper for the distribution to eligible donees of another \$361 million for a total thus of \$502 million out of the \$3.2 billion spoken of.

Senator GRUENING. That includes all the Government agencies, ICA, the Bureau of Public Roads, and so forth?

Mr. GARVEY. Yes, sir.

Senator GRUENING. So, you have left at that time something in excess of \$2½ billion for surplus, is that correct?

Mr. GARVEY. Yes, sir.

Senator GRUENING. Roughly.

Mr. GARVEY. Yes, sir.

Senator GRUENING. Subtract a half million or a little more from the \$3.2 billion and you get \$2½ billion roughly?

Mr. GARVEY. Yes, sir.

Senator GRUENING. So, \$2½ billion is available for surplus.

Mr. GARVEY. Yes, sir, for sale.

Mr. Moot. Might I say one other thing in that connection?

Senator GRUENING. Yes.

Mr. Moot. Two and a half would be available as usable property, but on a worldwide basis. I was wondering again whether the committee wanted to narrow it down to the domestic areas versus the worldwide figure, and it would be necessary to take off of that \$2½ billion about \$600 million of usable property which would be overseas.

Senator GRUENING. Let's find out why this goes overseas. The

ICA testified this morning that they didn't care much about surplus, they got it as excess before it became surplus. Who gets that \$600 million overseas?

Mr. Moot. This is property located overseas.

Senator GRUENING. Already there.

Mr. Moot. Already there.

Senator GRUENING. In other words it is declared surplus at some of our bases.

Mr. Moot. That's right.

Senator GRUENING. So it never gets back here at all.

Mr. Moot. It is sold, but it can only be sold for reimportation provided the Department of Commerce will allow an import certificate to be issued for it to be brought back and that can only be done when there is a domestic shortage of the type of materials, which is rare, so most of it is sold for utilization overseas.

Senator GRUENING. Well, as a practical matter, is much of it brought back?

Mr. Moot. At the present time the Department of Commerce is not allowing any to come back.

Senator GRUENING. So, this \$600 million that goes over is in addition to the approximately \$500 million you use so that get us down to about \$2 billion which is available for domestic purposes?

Mr. GARVEY. Yes, sir.

Senator GRUENING. How much of that is sold and how much of it is given away, or is all of it given away?

Mr. GARVEY. All sold.

Senator GRUENING. All is sold?

Mr. GARVEY. Yes, sir.

Senator GRUENING. What percentage of return do you get on the original value?

Mr. GARVEY. May I ask Mr. Moot for the answer to that?

Mr. Moot. Our average return on usable property this past year has been 5 percent, Mr. Chairman.

Senator GRUENING. That is a very small amount, is it not?

Mr. Moot. Yes, sir, but remember, we are talking in terms of acquisition costs and in terms of equipment that has been well used and has been generally determined by, in our case, the Department of Defense, no longer economical to repair.

Senator GRUENING. Isn't some of this equipment brand new?

Mr. Moot. I would be the last to say that you could not show me a catalog with something marked "New," but in general, this is well-used equipment. In general you will find our catalog describing it as "Used, poor condition, repairs required." In our case, it is just as in your case in terms of your own automobile, it has been used to the point where further repairing is not determined to be economical.

Senator GRUENING. So, out of the \$2 billion, Uncle Sam gets about \$100 million back, approximately.

Mr. Moot. In terms of that particular program, we realize also something from the sale of scrap.

Senator GRUENING. Then, this \$2 billion is distributed by the Department of Health, Education, and Welfare—

Mr. Moot. No, sir. If I could bring it back into focus, Mr. Garvey has already taken out, before he has arrived at the \$2 billion, that which goes to the donable property program. This is property that has not been picked up by the donable property program and is going to be sold.

Senator GRUENING. I see.

Mr. Moot. The only other statistic we offer at this time is that there is some of this \$2 billion, which is technical military type material with specifications that have limited commercial value, aircraft spares, technical parts like that which we do sell, but in terms of the program that you are considering, we have little if any utilization.

Senator GRUENING. How is it determined, how is the determination made as to what will be sold and what donated?

Mr. Moot. We simply apply the procedure for donable property, whereby if an application is received in the excess stage, or just prior to its determination that it is Federal surplus, if an application is received from a donee for the property, and approved by the Department of HEW and GSA, then it goes to the donable property program. When property is not requested during the screening period, the set-aside period for donable property, then it is automatically released and set up as property available for sale.

Senator GRUENING. When a request is made, does that usually prevail, in other words if a request is made for property to be donable?

Mr. Moot. Is it generally?

Mr. GARVEY. Yes, it is approved in practically every case.

Senator GRUENING. In other words, the policy or philosophy would be, it would be better to have a Government agency or worthy agency use it usefully than to try to get the 5 percent of original cost, is that right?

Mr. GARVEY. Federal utilization and State donations definitely take priority over sale in our considerations.

Senator GRUENING. In the beginning when this property is declared excess, mostly by the military, who actually makes that determination? Is it made in different departments, different agencies of the Defense Department or is there one overall agency?

Mr. Moot. I think maybe I could answer that in this way, Senator: The owning agency within the Department of Defense, which means one of the military services, is responsible for determining that the property is excess to that service. That determination is made by an inventory control point, the single agency within that military service who controls the input and distribution of that property. For example, if an inventory control point, such as the General Stores Supply Office in the Navy, has property which it controls for the Navy which is in long supply and it determines that it has more than it requires for the foreseeable demands in the future, it will process a form to a central agency in the Department of Defense saying, "We do not need this property."

The central agency is the Armed Forces Supply Support Center, the agency for the Department of Defense which prepares excess listings, and it would take that property, put it on the circulars, and circularize it around other military installations. As a matter of fact, it has an addressee list of some 1,800 installations so that the property, if it can be utilized within the Department of Defense, is

so utilized. If it cannot be so utilized within the Department of Defense, and it is a category of property which General Services Administration has determined has potential Federal utilization, then the property is reported to the General Services Administration for other Federal utilization.

Senator GRUENING. Do you know whether there is a good deal of excess that comes about because too much was ordered in the first place?

Mr. Moot. There is no question that such is the case, sir. However, we would hasten to add that too much, at the time it was ordered, was probably considered insufficient. For example, most of our surpluses are war-ending surpluses and obviously from hindsight too much was purchased, but at the moment it was purchased, it was probably considered insufficient.

Senator GRUENING. We had a case recently on St. Lawrence Island where there was an installation which created quite a problem, because there were several thousand cases of beer abandoned by the military.

Mr. Moot. I remember that.

Senator GRUENING. That was quite a calamity up there.

When one service determines that certain property is in excess to its needs, is another service informed of that?

Mr. Moot. Yes, sir. We have a program currently wherein, approximately between four and five hundred million dollars a year of utilization between the military services of long supply is secured. It is a very significant program.

Senator GRUENING. Has either the Department of Defense or GSA obtained figures on the amount of surplus property in Alaska?

Mr. Moot. Yes, sir, and we have proposed to submit figures in the last day's testimony as to the amount of surplus and excess property in Alaska.

Senator GRUENING. Do you recall what it was?

Mr. Moot. We reported in the fiscal year 1958, the value of property declared excess at acquisition cost in Alaska, \$46,716,000, and in 1959, \$52,439,000.

Senator GRUENING. Could you state in a general way the nature of that property, what it was?

Mr. Moot. In a general way I think there is little doubt but that it was a general mix of property much the same as we would see in our military installations, either here or overseas. It runs a wide range of property, and because of the installation mixup, up there, it would be predominantly Air Force and Army type of property.

Senator GRUENING. I understand that GSA has given an order that no property is to be removed from Alaska at present. Do you know what the significance of that is? Is that for the purpose of study?

Mr. GARVEY. Senator, that was not exactly an order to the effect that no surplus property was to be transferred from Alaska to the mainland for donation. We gave instructions to our regional office in Seattle to the effect that we wanted the head of our organization there to review any transaction which had the effect of bringing donable property from Alaska to the mainland, and to report to the Commissioner of the Federal Supply Service on those particular transactions. As I indicated when we were here before, we could see little possibility of many of such transactions occurring, but we did want the head of our office out there to take a close look at each one.

Senator GRUENING. This has to do with past programs or future?

Mr. GARVEY. Future action, sir.

Senator GRUENING. Prospective programs?

Mr. GARVEY. Yes, sir.

Mr. SHRIVER. Mr. Moot, in connection with your testimony last week, you indicated about \$20 million worth of property is siphoned off to schools of special interest to the armed services. I wonder if you could give us a list of the schools that have qualified to receive that property and the amount that has been transferred to each institution or each school in the last year or two.

Mr. Moot. We certainly can give you a list of so-called special interest activities.

Colonel REY. We can give it for those in being or on the approved list at any period, but some have just been recently recognized.

Mr. SHRIVER. Give us the latest figure.

Colonel REY. In which category, surplus or excess?

Mr. SHRIVER. Surplus to the Department of Defense.

Colonel REY. Surplus to the Federal Government.

(The information requested is as follows:)

SPECIAL INTEREST DONEES

Donation agreements have been completed as of July 2, 1959, with the following educational activities of special interest to the armed services, each signed on behalf of the Department of Defense by the Deputy Assistant Secretary of Defense (Supply and Logistics), and individually signed on behalf of each of the respective activities as indicated below:

1. Admiral Farragut Academy, St. Petersburg, Fla.
2. Admiral Farragut Academy, Pine Beach, N.J.
3. Allen Military Academy, Bryan, Tex.
4. Army and Navy Academy, Carlsbad, Calif.
5. Augusta Military Academy, Fort Defiance, Va.
6. Black-Foxe Military Institute, Los Angeles, Calif.
7. Bordentown Military Institute, Bordentown, N.J.
8. Boy Scouts of America, New Brunswick, N.J. (national council)
9. Boys' Clubs of America, 381 Fourth Avenue, New York, N.Y. (national headquarters)
10. Brown Military Academy, Glendora, Calif.
11. California Maritime Academy, Vallejo, Calif.
12. Camp Fire Girls, Inc., 16 East 48th Street, New York, N.Y.
13. Carlisle Military School, Bamberg, S.C.
14. Carson Long Institute, New Bloomfield, Pa.
15. Castle Heights Military Academy, Lebanon, Tenn.
16. Civil Air Patrol (national headquarters), Ellington Air Force Base, Houston, Tex.
17. Columbia Military Academy, Columbia, Tenn.
18. Culver Military Academy, Culver, Ind.
19. Fishburne Military School, Waynesboro, Va.
20. Florida Military Academy, Inc., Fort Lauderdale, Fla.
21. Florida Military School, DeLand, Fla.
22. Fork Union Military Academy, Fork Union, Va.
23. Georgia Military Academy, College Park, Ga.
24. Georgia Military College, Milledgeville, Ga.
25. Girl Scouts of America, 830 Third Avenue, New York, N.Y. (national headquarters)
26. Gordon Military College, Barnesville, Ga.
27. Greenbrier Military School, Lewisburg, W. Va.
28. Howe Military School, Howe, Ind.
29. Kamehameha School for Boys, Honolulu, Hawaii
30. Kemper Military School, Boonville, Mo.
31. Kentucky Military Institute, Lyndon, Ky.

32. LaSalle Institute, Troy, N.Y.
33. LaSalle Military Academy, Oakdale, Long Island, N.Y.
34. Maine Maritime Academy, Castine, Maine
35. Marion Institute, Marion, Ala.
36. Marist College, Atlanta, Ga.
37. Marmion Military Academy, Aurora, Ill.
38. Maryknoll High School, Honolulu, Hawaii
39. Massanutten Military Academy, Woodstock, Va.
40. Miami Military Academy, Miami, Fla.
41. Millersburg Military Institute, Millersburg, Ky.
42. Missouri Military Academy, Mexico, Mo.
43. New Mexico Military Institute, Roswell, N. Mex.
44. New York Military Academy, Cornwall-on-Hudson, N.Y.
45. New York State Maritime College, Fort Schuyler, Bronx, N.Y.
46. North Central High School, Indianapolis, Ind.
47. Oak Ridge Military Institute, Oak Ridge, N.C.
48. Oklahoma Military Academy, Claremore, Okla.
49. Peekskill Military Academy, Peekskill, N.Y.
50. Porter Military Academy, Charleston, S.C.
51. Riverside Military Academy, Gainesville, Ga.
52. St. Emma Military Academy, Rock Castle, Va.
53. St. John's College, Washington, D.C.
54. St. John's Military Academy, Delafield, Wis.
55. St. Joseph's Military Academy, Hays, Kans.
56. St. Thomas Military Academy, St. Paul, Minn.
57. Sewanee Military Academy, Sewanee, Tenn.
58. Shattuck School, Faribault, Minn.
59. Tabor Academy, Marion, Mass.
60. Tennessee Military Institute, Sweetwater, Tenn.
61. Texas Military Institute, San Antonio, Tex.
62. The Bolles School, Jacksonville, Fla.
63. The Manlius School, Manlius, N.Y.
64. Valley Forge Military Academy, Wayne, Pa.
65. Wentworth Military Academy, Lexington, Mo.
66. Western Military Academy, Alton, Ill.
67. Ysleta Public Schools, Ysleta, Tex.

Acquisition cost of surplus personal property donated

	Amount and reporting period	Jan. 1-June 30, 1959
Allen Military Academy, Bryan, Tex.		\$311,784.94
Bordentown Military Institute, Bordentown, N.J.	\$173,567.08 (Apr. 27, 1953, to Feb. 1, 1959)	
Columbia Military Academy, Columbia, Tenn.	\$157.20 (May 22 to Aug. 29, 1957)	
Culver Military Academy, Culver, Ind.		36,038.33
Georgia Military Academy, College Park, Ga.	\$6,368.08 (July 23, 1954, to June 25, 1959)	
Georgia Military College Milledgeville, Ga.	\$6,503.18 (June 18, 1956, to Jan. 27, 1959)	
Gordon Military College, Barnesville, Ga.		8,430.07
Greenbrier Military School, Lewisburg, W. Va.	\$1,369.40 (May 10, 1955, to Jan. 26, 1959)	
LaSalle Military Academy, Oakdale, Long Island, N.Y.	\$20,977.88 (Apr. 27, 1956, to June 30, 1959)	
Marmion Military Academy, Aurora, Ill.		48,099.23
Massanutten Military Academy, Woodstock, Va.	\$30,203.91 (1954 to 1958)	
Porter Military Academy, Charleston, S.C.	\$12,582.06 (Dec. 4, 1956, to October 1958)	
Shattuck School, Faribault, Minn.	\$27,178.61 (to July 31, 1959)	
St. John's Military Academy, Delafield, Wis.	\$8,876.12 (to Mar. 23, 1959)	
St. Thomas Military Academy, St. Paul, Minn.		523.00
Tabor Academy, Marion, Mass.	\$26,013 (1951 to Feb. 5, 1959)	
The Manlius School, Manlius, N.Y.	\$29,158.27 (Apr. 27, 1953, to Apr. 1, 1959)	168,013.51
Valley Forge Military Academy, Wayne, Pa.		
Boy Scouts of America	\$6,537,530.79 (calendar year 1958)	
Boys Clubs	\$4,560,997.83 (calendar year 1958)	
Girl Scouts of America	\$396,685.52 (calendar year 1958)	
Civil Air Patrol	\$3,853,033.40 (fiscal year 1959)	
Camp Fire Girls, Inc.	\$278,850.53 (calendar year 1958)	

Senator GRUENING. Now, in your little booklet issued by the Memphis General Depot, you have a list of a good many items marked "Unused," such as 1,000 unused washable bags, 386 yards of unused

cotton cloth, 677 unused men's jackets, 288 unused cretonnes, and so forth. Why can't you use those?

Mr. Moot. In most cases, particularly in the case of cloth, it is a question of sheer volume, sir. We have over the years, during Korea and during World War II, due to critical shortages, been required to stockpile clothing and we have developed a current inventory of about \$2 billion worth of clothing, most of which is in reserve. From a current requirements determination viewpoint and a prediction of requirements in the future, it just does not make sense for us to maintain clothing in storage beyond that which we believe we need for mobilization reserve or foreseeable peacetime use.

Senator GRUENING. Why can't those be used for educational purposes?

Mr. Moot. They have been made available and would have been screened by the donable property program. Whether or not there are any donees who could use them and did not see them is something that we couldn't answer I'm afraid, sir.

Senator GRUENING. Thank you very much, gentlemen.

Mr. GARVEY. Mr. Chairman, may I have just a moment more?

Senator GRUENING. Yes, indeed.

Mr. GARVEY. We noted that the Department of Health, Education, and Welfare submitted a proposed amendment to the Federal Property and Administrative Services Act of 1949 and I wondered whether we might have an opportunity to present to the subcommittee a letter from the Administrator of General Services pertaining to that particular amendment.

Senator GRUENING. Speaking of the libraries.

Mr. GARVEY. Yes, sir. They are categorized as other educational activities.

Senator GRUENING. What is your view of that?

Mr. GARVEY. I would say the Administrator of General Services is the logical official to report on the proposal, and we would welcome an opportunity to submit a letter.

Senator GRUENING. We would be happy to have it.

(The report referred to is as follows:)

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., August 28, 1959.

Hon. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, your Special Subcommittee on Donable Property has been holding hearings on a series of Senate bills proposing the extension of the surplus property donation program under section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, to certain other types of organizations and activities.

We have, so far, reported on eight of these bills, i.e., S. 1018, S. 1210, S. 1365, S. 1766, S. 2043, S. 2103, S. 2244, and S. 2367. We were unable to recommend the enactment of these bills for the reasons set forth in our reports and reiterated in our testimony in recent hearings before your special subcommittee.

Under the present law, libraries connected with schools, colleges, and universities are eligible to receive property donated for educational purposes. We now understand that the Department of Health, Education, and Welfare has informed your committee that they would be agreeable to an amendment to section 203(j) of the Federal Property and Administrative Services Act which would authorize the donation of surplus personal property to tax-supported and other nonprofit libraries.

The Department of Health, Education, and Welfare, however, while not objecting to a properly drafted amendment which would bring libraries as such into the personal property donation program, would consider it more appropriate to extend clauses (A) and (B) of section 203(j)(3) of the act to encompass "other educational institutions," a phrase intended to have the same meaning as the term "educational institutions" has in section 203(k)(1) of the act.

The proposal of the Department of Health, Education, and Welfare would expand considerably the number of eligible donees. The proposed language would include not only tax-supported libraries, but an additional group of non-profit ones. In the nonprofit group can be found many privately owned libraries. Moreover, the term "other educational institutions" could conceivably be interpreted to include also museums, planetariums, memorials, historical shrines, and numerous other organizations whose purposes are at least partially educational in nature. It is difficult to determine just how far the proposed expansion would extend in terms of additional donees.

In view of the above, it is believed that enactment of the HEW proposal would open the door to costly and complicated further extensions of the donable program. Therefore, GSA is compelled to register opposition to that proposed amendment.

The nature of this legislative proposal is such as to make impossible any firm estimate by us of the probable cost attributable thereto.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

FRANKLIN FLOETE, *Administrator.*

Senator GRUENING. Have you seen the letter from the Secretary of the Department?

Mr. GARVEY. No, sir; we have not.

Senator GRUENING. Copies will be made available to you and we would like to have your views on that subject.

Mr. GARVEY. Thank you, sir.

Senator GRUENING. The Department of Health, Education, and Welfare apparently is willing to modify its stand on libraries and suggests a minor amendment which we will ask them to present, and I would suggest that you get in touch with that Department and see whether you can have a meeting of minds on that.

Mr. GARVEY. We will, sir.

Senator GRUENING. Let me ask this question: You still maintain your view that there should be no enlargement whatever of the program, that it should be confined to the agencies which now receive them?

Mr. GARVEY. We still feel the same way.

Senator GRUENING. Do you feel there is not enough to go any further?

Mr. GARVEY. We feel there is not enough property to satisfy additional donees. The type of property desired still remains, in our opinion, as restricted as it was before.

Senator GRUENING. Do you approve the transfer of large amounts of this property under the ICA program?

Mr. GARVEY. Mr. Chairman, the basic purpose of Federal utilization of personal property under the Federal Property and Administrative Services Act is not only to obtain maximum use of property already owned, but to conserve funds by reduction of expenditures for new property. It has been our point of view that in making this property available to ICA, we do in fact conserve appropriated funds of the U.S. Government, and that is the basis on which we have carried the program forward.

I would like to point out just as a matter for the record that the International Cooperation Administration does not take excess personal property ahead of the Bureau of Public Roads. They are, by our administrative determination, the last of the Federal agencies to be afforded excess property. In other words, they take if no other Federal agency wants the particular property.

Senator GRUENING. Why are they last?

Mr. GARVEY. Because we came to the conclusion that administratively, support of a domestic program had a logical priority.

Senator GRUENING. Some of these bills contain provisions for transfer of real property as well as personal property. Have you any figures to indicate what the amount of that property is, or what is likely to be available?

Mr. DAVIS. Mr. Chairman, Senator Muskie the first day of the hearing asked for a breakdown on real property and a letter furnishing that information will be sent to your committee.

Senator GRUENING. We would like to have it indicating where it is and so forth.³⁰

Mr. DAVIS. Yes, sir.

Senator GRUENING. Have you any suggestions or recommendations on how the program can be improved? It is a very large program, and obviously human beings are fallible, so errors doubtless creep into the administration, which is not surprising. But on the basis of your experience, have you any suggestion as to how it can be better tightened up, and perhaps made more responsive to the objectives?

Mr. GARVEY. We have been working in GSA, Senator, for more than 9 months on a program to improve the exercise of our own responsibilities, and we believe we have both an organization and a plan for doing it. As I mentioned to you on the occasion of my first appearance before the subcommittee we are not satisfied with the extent of Federal utilization of this available excess property and believe that a better satisfaction of present donable needs can be attained. The work we have done over the past 9 months will more than double Federal utilization of this property in the period of the next 2 fiscal years.

Senator GRUENING. I understand the Department of Health, Education, and Welfare has made a survey report of the distribution of this property. Have you seen that report?

Mr. GARVEY. No, sir.

Senator GRUENING. Mr. Gray, has that report been issued?

Mr. GRAY. I am not sure that I know what you are referring to. We did have what we call a survey group or task force here in recent months visit about 20 major installations. The membership of that task force consisted of representatives from our office, from the Department of Defense, from General Services Administration, and from the Office of Civil Defense Mobilization.

The general purpose of that review was from our particular interest to see how the donable surplus property program was operating, what actions might be taken to improve it, and so forth. We have not compiled the final report of that group. We had a report outline and we have received the reports from all of the members who participated, but we haven't compiled it in final form.

³⁰ The information is shown on pp. 237-239.

I might say that a number of the things they discovered were things that were already under consideration in this new plan that Jim Garvey has just mentioned, and I think, generally, the survey will emphasize the need for going ahead and doing some of these things that are now under discussion between GSA, the Department of Defense, and ourselves.

Senator GRUENING. How long will it take before that report is finished?

Mr. GRAY. Well, it will be another 2 weeks, I would say, before the man who represented us on the committee and who of necessity will compile the report—he is on leave for the balance of this week. As soon as he gets back I expect him to make that his first job, to complete his compilation of the report.

Senator GRUENING. Will you be kind enough to submit a copy of the report to the committee?

Mr. GRAY. I will be glad to.³¹

Senator GRUENING. And I think the other agencies—

Mr. GRAY. All who participated will automatically get the report.

Senator GRUENING. I think the committee will appreciate having a copy of the report.

Also included in the record at this point will be a list of the personal property made available for distribution to public health and educational institutions, supplied by the Department of Health, Education, and Welfare.

³¹ This information when received will be placed in the files of the subcommittee.

(The tabulation referred to follows:)

Acquisition cost of personal property made available for distribution to public health and educational institutions and civil defense organizations and real property disposed of to public health and educational institutions

1946 THROUGH JUNE 30, 1958

States	Personal property	Real property	Total
Total.....	\$1,590,835,673	\$742,373,674	\$2,333,209,347
Alabama.....	42,435,208	14,983,602	57,418,810
Arizona.....	15,666,687	7,915,632	23,582,319
Arkansas.....	17,263,984	25,158,876	42,422,860
California.....	178,223,333	58,208,142	236,431,475
Colorado.....	14,997,662	4,980,921	19,978,583
Connecticut.....	20,613,763	2,600,457	23,214,220
Delaware.....	6,108,624	2,363,512	8,472,136
Florida.....	46,188,551	21,952,588	68,141,139
Georgia.....	41,251,729	14,039,278	55,291,007
Idaho.....	10,242,106	21,964,741	32,206,847
Illinois.....	58,313,727	14,598,174	72,911,901
Indiana.....	34,960,596	3,768,971	38,729,567
Iowa.....	20,003,086	2,039,285	22,042,371
Kansas.....	17,854,927	3,773,569	21,628,496
Kentucky.....	30,288,020	2,384,572	32,672,592
Louisiana.....	25,883,049	12,211,308	38,094,357
Maine.....	9,898,556	495,217	10,393,773
Maryland.....	40,512,187	2,355,110	42,867,297
Massachusetts.....	43,647,174	30,273,662	73,920,836
Michigan.....	31,529,589	19,567,946	51,097,535
Minnesota.....	20,649,324	43,166,299	63,815,623
Mississippi.....	29,089,891	37,110,192	66,200,083
Missouri.....	35,524,132	34,601,865	70,125,997
Montana.....	9,223,940	500,376	9,724,316
Nebraska.....	15,776,920	1,011,600	16,788,520
Nevada.....	4,351,626	2,178,423	6,530,049
New Hampshire.....	5,998,933		5,998,933
New Jersey.....	25,368,510	844,113	26,212,623
New Mexico.....	10,631,922	7,436,297	18,068,219
New York.....	95,977,452	64,387,528	160,364,980
North Carolina.....	52,580,653	16,347,198	68,927,851
North Dakota.....	3,714,791	402,836	4,117,627
Ohio.....	62,420,039	9,743,597	72,163,636
Oklahoma.....	32,153,748	62,804,553	94,958,301
Oregon.....	29,273,760	14,508,083	43,781,843
Pennsylvania.....	68,938,645	3,587,988	72,526,633
Rhode Island.....	11,136,851	117,079	11,253,930
South Carolina.....	27,726,990	9,755,544	37,482,534
South Dakota.....	7,900,059	1,570,291	9,470,350
Tennessee.....	38,408,623	4,472,293	42,880,916
Texas.....	84,215,558	125,989,550	210,205,108
Utah.....	23,671,784	2,752,599	26,424,383
Vermont.....	4,628,611	36,155	4,664,766
Virginia.....	44,505,002	12,078,607	56,583,609
Washington.....	53,032,215	11,701,975	64,734,190
West Virginia.....	24,105,864	2,279,559	26,385,423
Wisconsin.....	26,256,988	1,214,199	27,471,187
Wyoming.....	4,999,752	1,376,899	6,376,651
Alaska.....	1,650,882	1,785,991	3,436,873
Virgin Islands.....	24,439	3,848	28,287
District of Columbia.....	13,197,606	247,282	13,444,888
Hawaii.....	8,748,640	2,406,775	11,155,415
Puerto Rico.....	9,068,465	318,517	9,386,982
American Samoa.....	500		500

EXPANSION OF DONABLE PROPERTY PROGRAM

FISCAL YEAR 1958

States	Personal property	Real property	Total
Total-----	\$302,458,448	\$9,411,786	\$311,870,234
Alabama-----	8,865,738	275,935	9,141,673
Arizona-----	2,424,587	104,286	2,528,873
Arkansas-----	3,076,060	40,661	3,116,721
California-----	33,757,277	1,709,573	35,466,850
Colorado-----	3,620,244	211,544	3,831,788
Connecticut-----	5,089,869	11,515	5,101,384
Delaware-----	1,148,895	5,000	1,153,895
Florida-----	9,489,493	26,363	9,515,856
Georgia-----	8,060,274	45,308	8,105,582
Idaho-----	2,051,950		2,051,950
Illinois-----	13,507,155		13,507,155
Indiana-----	6,872,636	23,690	6,896,326
Iowa-----	2,894,687		2,894,687
Kansas-----	2,825,075		2,825,075
Kentucky-----	6,323,311	138,319	6,461,630
Louisiana-----	3,618,983	36,168	3,655,151
Maine-----	3,211,860		3,211,860
Maryland-----	8,089,052	257,552	8,346,604
Massachusetts-----	8,358,073	8,200	8,366,273
Michigan-----	9,324,364	13,985	9,338,349
Minnesota-----	4,090,538	1,200	4,091,738
Mississippi-----	4,680,233	1,000	4,681,233
Missouri-----	7,572,138		7,572,138
Montana-----	1,105,264	15,716	1,120,980
Nebraska-----	3,541,134	21,288	3,562,422
Nevada-----	764,156		764,156
New Hampshire-----	1,215,758		1,215,758
New Jersey-----	5,418,110	331,437	5,749,547
New Mexico-----	2,440,991	386,365	2,827,356
New York-----	19,455,832	102,782	19,558,614
North Carolina-----	9,377,837	297,080	9,674,917
North Dakota-----	362,027	31,254	393,281
Ohio-----	8,851,691	21,433	8,873,124
Oklahoma-----	5,811,164	1,111,668	6,922,832
Oregon-----	5,222,659	2,575	5,225,234
Pennsylvania-----	12,430,311	686,379	13,116,690
Rhode Island-----	2,194,039	9,375	2,203,414
South Carolina-----	4,780,107	45,164	4,825,271
South Dakota-----	1,227,349	27,939	1,255,288
Tennessee-----	7,912,342	14,326	7,926,668
Texas-----	17,356,597	2,123,144	19,479,741
Utah-----	2,304,034	22,248	2,326,282
Vermont-----	804,356		804,356
Virginia-----	7,527,096	176,800	7,703,896
Washington-----	7,899,640	451,777	8,351,417
West Virginia-----	3,008,893	281,144	3,290,037
Wisconsin-----	5,323,599	2,265	5,325,864
Wyoming-----	1,121,209	4,000	1,125,209
Alaska-----	394,019	39,578	433,597
Virgin Islands-----			
District of Columbia-----	1,157,786	140,000	1,297,786
Hawaii-----	2,118,018	126,021	2,244,039
Puerto Rico-----	2,379,938	29,729	2,409,667

FISCAL YEAR 1959

States	Personal property	Real property	Total
Total	\$360,455,981	\$21,179,482	\$381,635,463
Alabama	12,630,956	145,476	12,776,432
Alaska	1,178,172	81,995	1,260,167
Arizona	3,142,210	101,764	3,243,974
Arkansas	3,506,023	41,816	3,547,839
California	33,312,525	634,839	33,947,364
Colorado	4,210,634	214,666	4,425,300
Connecticut	3,981,311	24,777	4,006,088
Delaware	1,566,435		1,566,435
Florida	15,183,334	147,152	15,330,486
Georgia	8,816,625	2,973,800	11,790,425
Idaho	2,213,308	132,377	2,345,685
Illinois	13,002,294	40,300	13,042,594
Indiana	7,153,416	79,869	7,233,285
Iowa	4,583,916	3,310	4,587,226
Kansas	3,810,332	97,625	3,907,957
Kentucky	6,568,844	63,077	6,631,921
Louisiana	5,174,557	62,198	5,236,755
Maine	4,006,649		4,006,649
Maryland	7,612,569	107,465	7,720,034
Massachusetts	13,666,808	116,563	13,783,371
Michigan	10,195,819	269,818	10,465,637
Minnesota	5,772,447	1,200	5,773,647
Mississippi	6,229,152	171,331	6,400,483
Missouri	7,102,774	261,914	7,364,688
Montana	1,181,215	4,557	1,185,772
Nebraska	2,686,388	29,660	2,716,048
Nevada	811,261		811,261
New Hampshire	1,676,022		1,676,022
New Jersey	7,454,238	66,000	7,520,238
New Mexico	3,620,488	454,505	4,074,993
New York	33,526,408	6,894,466	40,420,874
North Carolina	11,055,120	125,307	11,180,427
North Dakota	872,906	4,800	877,706
Ohio	11,830,851	104,605	11,935,456
Oklahoma	7,192,964	936,286	8,129,250
Oregon	4,301,281	203,242	4,504,523
Pennsylvania	15,673,253	30,000	15,703,253
Rhode Island	2,447,162	52,164	2,499,326
South Carolina	5,080,761	75,139	5,155,900
South Dakota	1,365,018	4,650	1,369,668
Tennessee	9,126,042	201,442	9,327,484
Texas	17,621,554	3,158,674	20,780,228
Utah	4,109,259		4,109,259
Vermont	1,089,164	33,756	1,122,920
Virginia	9,205,401	97,103	9,302,504
Washington	7,639,634	2,324,719	9,964,353
West Virginia	3,960,076	77,598	4,037,674
Wisconsin	6,420,115		6,420,115
Wyoming	1,018,966	111,157	1,130,123
District of Columbia	1,348,981	22,325	1,371,306
Hawaii	1,246,153	345,970	1,592,123
Puerto Rico	2,274,190	48,025	2,322,215
Virgin Islands			

Senator GRUENING. Thank you very much, gentlemen. We will hold the record open for a few days in case any additional communications are received.

The committee will await the call of the Chair.

(Whereupon, at 3:30 p.m., the special subcommittee adjourned, subject to the call of the Chair.)

APPENDIX

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
July 1, 1959.

Hon. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations.
U.S. Senate, Washington, D.C.

DEAR SENATOR: Many thanks for your letter addressed to me under date of June 24 concerning the interest expressed by the Oregon Historical Society in the donable property provisions of the Federal Property and Administrative Services Act.

In order that your committee files may contain a complete record of the views expressed by Mr. Thomas Vaughan, director of the Oregon Historical Society, there follows extracts from Mr. Vaughan's letter of June 3 addressed to me. This is for your use in case the committee conducts hearings or engages in studies relative to this subject.

"The matter of historical society eligibility for Federal surplus property is being reviewed by the Senate Committee on Labor and Public Welfare. Of special importance to the association is the realization that you are a member of this committee.

"With interest in history increasing every year our societies have been placed under increasingly heavy strain trying to serve the multiplying demands of statewide public service."

I should like to stress that it is the view of the society that organizations in their category should be declared eligible to receive donations of surplus Federal property. Your consideration of this matter at the appropriate time will be appreciated.

With kindest regards.

Sincerely,

WAYNE MORSE.

U.S. SENATE,
COMMITTEE ON FINANCE,
July 14, 1959.

Hon. JOHN L. McCLELLAN,
Chairman, Government Operations Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR: With regard to the interest of the board of game and fish commissioners in Delaware to submit a statement in behalf of S. 2103, Mr. Norman G. Wilder, the director, has addressed a letter to Senator Gruening.

Mr. Wilder desires very much that the enclosed statement be made a part of the record. He will also be glad to come over personally to testify if the committee desires.

Sincerely yours,

J. ALLEN FREAR, Jr.

U.S. SENATE,
Washington, D.C., July 17, 1959.

Hon. JOHN L. McCLELLAN,
Chairman, Government Operations Committee,
U.S. Senate, Washington, D. C.

DEAR SENATOR: I am enclosing a statement that I have recently received from the director of the Delaware Board of Game and Fish Commissioners relative to S. 2103.

I would appreciate it if you would refer this to the proper subcommittee of the Government Operations Committee, with the request that it be included in the record of any hearings that may be held on this or similar bills.

Yours sincerely,

JOHN J. WILLIAMS.

STATEMENT BY NORMAN G. WILDER, DIRECTOR, BOARD OF GAME AND FISH COMMISSIONERS, STATE OF DELAWARE, RELATIVE TO SENATE BILL 2103

For the last few years our agency has tried unsuccessfully, to qualify for surplus Federal property such as draglines, bulldozers, steel matting (for launching ramps), pumps, and motors. All of these items we have had to eventually buy on the open market or in several cases do without or at a considerable sacrifice to our full potential as a conservation agency. Over this same period we have witnessed surplus Government supplies of the above nature being allocated to Federal agencies engaged in work almost identical with ours and also being bought for a song by private surplus property dealers who resold them on the open market at a tremendous markup.

A State fish and game agency such as ours is not able to compete with the latter groups at Government surplus sales because we do not deal in large quantities or on an immediate cash basis. The result has been that we have been buying Government surplus steel matting, for example, through private dealers at a price several times their purchase price from the U.S. Government.

Since there are apparently still large quantities of Government surplus items reaching the private markets, over and above other Government and eligible State agency needs, it is felt by State fish and game agencies, including our own, that eligibility of such agencies for Government surplus materials is in order.

We hereby submit this as testimony to be included in the record of hearings on this bill, S. 2103.

U.S. SENATE,
Washington, D.C., July 28, 1959.

Hon. JOHN L. McCLELLAN,
Chairman, Government Operations Committee,
U.S. Senate.

DEAR SENATOR: It has come to our attention that your committee will hold hearings on July 29 and 30, 1959, in connection with S. 155, which we introduced as an amendment to the Federal Property and Administrative Services Act of 1949. The bill will permit additional donations of surplus property to libraries which are tax supported or publicly owned and operated.

At this time, the act, as interpreted by the Department of Health, Education, and Welfare, permits public libraries to receive surplus real property and some personal property related thereto. However, the public library is not within the designated class eligible to receive Federal surplus property which is of a true personal character. Accordingly, S. 155 was designed and initiated to alleviate this situation so that public libraries can receive all types of Federal surplus property, both real and personal, distributed under the provisions of the act.

The inclusion of the public library within the recipient class as to personal property would not contravene the underlying purposes of the act. Indeed, in view of the fact that the public libraries are already receiving surplus property under the present authority, such an extension of the encompassing effect of the act might well be expected. Moreover, as tax supported and nonprofit educational institutions are specifically designated among those groups qualified to receive personal property, it is but an easy step to qualify the public libraries as well, whose functions and objectives in their dissemination of information to the public is an essential part of our country's educational system.

For the above reasons, we sincerely urge that the Senate Committee on Government Operations give its most careful consideration to this bill. It is our belief that its effect would be entirely consistent with the legislative intent of the act, and the results sought thereby are both reasonable and logical in the premises.

Sincerely,

ROBT. S. KERR.
A. S. MIKE MONROONEY.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
July 31, 1959.

Hon. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations,
U.S. Senate, Washington, D.C.

DEAR SENATOR: This letter concerns S. 1018.

This bill would merely clarify the law and make our friends in the Extension Service back in the States, especially at the county level, eligible to receive surplus office furniture from General Services Administration and other Federal agencies that handle same. Under the present rulings, the Extension Service being strictly a State agency, even though it is in part directed and paid for by the Federal Government, is discriminated against with reference to this surplus office furniture. For instance, when the Post Office Department in a county seat in Arkansas has excess office furniture, it cannot transfer it over to the county agent's office even if the county agent's office is located in the same building.

The only objection put up to the bill is that they say they do not have enough such property in surplus to go all the way around and, therefore, it should be kept strictly for the Federal agencies. This doesn't make good sense to me, nor to the Extension Service workers who carry so much of the agricultural load in our counties at home.

I hope you can give this bill your personal attention. Walter Reynolds is familiar with this bill, as are some of your other staff members, and can give you the rundown on it. I will appreciate your looking into it. Hearings have already been completed, and I feel that once the bill goes to calendar it will move through the Senate without further difficulty.

Thanking you and with best wishes, I am,

Sincerely yours,

JOHN STENNIS.

TENNESSEE SCHOOL BOARD ASSOCIATION,
Nashville, Tenn., June 19, 1959.

Hon. ALBERT GORE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GORE: I am writing to you on the direction of our executive council in reference to the administration of Public Law 152, 81st Congress, as amended. This law specifies that institutions qualifying for the receipt of surplus property must be of one of the following types: school, college, university, school system, medical institution, hospital, clinic, health center, or civil defense organization, and the institution must be either tax supported or a private institution exempt from taxation.

We have received a legal opinion from Mr. J. Wendell Gray, Chief of the Surplus Property Utilization Division, Department of Health, Education, and Welfare, that the association cannot qualify under the present definitions of the terms in the law and that the General Counsel has consistently held that only organizations which fully meet the definitions set forth in the regulations may be granted eligibility to receive donations from surplus property.

The Tennessee School Boards Association is by legal definition a political subdivision of the State of Tennessee, having been established by act of the 1953 legislature (Public Acts of 1953, ch. 72). We are supported by dues paid by school boards out of public school funds supplied both by State and local taxation. The association is nonprofit and tax exempt and operates to provide services to school systems. Our law reads that local boards "are hereby authorized to use the organization of the Tennessee School Boards Association in coordinating the policies, control, and management of the schools under their respective jurisdiction."

Due to the fact that the Tennessee School Boards Association operates in such a legal relationship with school systems and serves as an extension of their responsibility, we feel that the law and/or regulations could and should logically include the State school boards associations which are legally organized such as Tennessee's.

We would appreciate your reaction as to the possibilities of introduction and passage of such legislation and whether or not you would be willing to support such legislation.

For your information, I am enclosing a copy of the act which set up the school boards association and its present legal status and shall be glad to provide any further information which your office may need.

Thank you so much for your help in this matter.

Sincerely yours,

JOSEPH W. GOSS, *Executive Secretary.*

PUBLIC ACTS, 1953

CHAPTER No. 72

HOUSE BILL No. 583

(By Bryson)

A BILL To be entitled "An Act to recognize the Tennessee School Boards Association as the organization and representative agency of the members of school boards of the State; to authorize State and local school boards and agencies to cooperate with said association in its programs; and to confer powers and authority upon said association for carrying on its objectives"

Whereas the Tennessee School Boards Association was organized in 1939 and has rendered and continues to render a valuable contribution to public education throughout Tennessee; and

Whereas said Tennessee School Boards Association is composed of members of boards of education throughout Tennessee, including the State board of education, county and city boards of education and boards of education of special school districts, and is the only statewide organization representing these boards which administer the school system of this State; and

Whereas said association has for its purpose as set forth in its constitution and bylaws, among others, (1) to work for the general advancement and improvement of public education in Tennessee, and for the most efficient and effective organization of the public schools, (2) to gather and circulate information on school activities and affairs, (3) to provide the General Assembly of Tennessee with pertinent information incident to the passage of sound educational legislation, and (4) to cooperate with other organizations and agencies such as the Tennessee Education Association, Tennessee Congress of Parents and Teachers, and others interested in the problems of public education; and

Whereas said Association carries on an inservice training program for school board members, acquainting them with procedures and developments in school administration and publishes a monthly bulletin which is furnished to all members of all school boards throughout the State, and its work should be recognized and supported by the people of Tennessee: Now, therefore,

SECTION 1. *Be it enacted by the general assembly of the State of Tennessee,* That the Tennessee School Boards Association is hereby recognized as the organization and representative agency of the members of school boards of Tennessee.

SECTION 2. *Be it further enacted,* That the State commissioner of education, the State department of education, and the boards of education of counties, cities and special school districts are hereby authorized and empowered to cooperate with the Tennessee School Boards Association in its intraining programs for school board members and in encouraging and fostering cooperation among the school boards in Tennessee. Any board of education is hereby authorized to become affiliated with the Tennessee School Boards Association. Membership dues and necessary traveling expenses of school board members and superintendents incurred in attending meetings of the Tennessee School Boards Association may be paid as other expenses are paid by boards of education. The various boards of education are hereby authorized to use the organization of the Tennessee School Boards Association in coordinating the policies, control, and management of the schools under their respective jurisdictions.

SECTION 3. *Be it further enacted,* That the Tennessee School Boards Association shall be authorized to receive funds in the form of dues from its members and contributions from individuals, organizations, and agencies for the purposes of carrying on its program.

SECTION 4. *Be it further enacted*, That the provisions of this act are hereby declared to be severable. If any of its sections, provisions, exceptions, sentences, clauses, phrases, or parts be held unconstitutional or void the remainder of this act shall continue in full force and effect, it being the legislative intent now hereby declared, that this act would have been adopted even if such unconstitutional or void matter had not been included therein.

SECTION 5. *Be it further enacted*, That this act take effect from and after its passage, the public welfare requiring it.

Passed March 25, 1953.

JAMES L. BOMAR,
Speaker of the House of Representatives.
JARED MADDUX,
Speaker of the Senate.

Approved April 2, 1953.

FRANK G. CLEMENT, *Governor.*

THE STATE OF WISCONSIN,
STATE HISTORICAL SOCIETY,
Madison, Wis., June 23, 1959.

Senator JOSEPH S. CLARK,
Senate Office Building, Washington, D.C.

DEAR SENATOR CLARK: Clement M. Silvestro, director of the American Association for State and Local History, has called to my attention the efforts being made to amend section 203(j)(3) of Public Law 152, 81st Congress, as amended (40 U.S.C. 484(j)), to provide that historical societies and agencies be made eligible to receive Federal surplus property. This amendment, I understand, will be considered by the Senate Committee on Labor and Public Welfare.

Although the State Historical Society of Wisconsin is organized and operated exclusively for educational purposes and is specifically designated as an educational institution under Wisconsin statutes, it has at various times in the past been made very much aware of the inability of historical organizations to avail themselves of the opportunity to make use of surplus property. Just recently the society was again declared unqualified to receive the surplus Presidential car, the Ferdinand Magellan, which we had attempted to obtain for exhibition and use in our new National Railroad Museum being constructed in Green Bay. Many of the materials declared surplus could be used to advantage in our museum, our libraries, our school services program (in which over 25,000 school children in the State are now participating), at our historic sites and restorations, or in other phases of our program. I am sure this holds true for other historical societies and agencies throughout the country.

Our society must rely to a great extent on endowments and private funds for promotion of our educational programs, even though it is an official State agency receiving State appropriations for carrying on its statutory functions. Use of surplus properties would in many ways help to alleviate the usual tight budgets for projects of this type, and thus possibly permit extension or strengthening of the programs.

We hope you will do whatever you can to obtain passage of this amendment.
Cordially,

DONALD R. MCNEIL.

ASSOCIATION OF MIDWEST FISH AND GAME COMMISSIONERS,
Indianapolis, Ind., July 31, 1959.

Senator JOHN L. McCLELLAN,
Chairman, Committee on Government Operations,
U.S. Senate, Washington, D.C.

DEAR SENATOR McCLELLAN: At the recent annual meeting of the Midwest Fish and Game Commissioners, the enclosed resolution was passed by our organization.

We are greatly interested in the passage of this proposed legislation. Such surplus equipment is now made available for forest fire control. We can see no reason why the use of such surplus for restoration of our wildlife resources should not be included. Kindly advise of the current status and action that may be taken in this matter.

Yours sincerely,

WILLIAM B. BARNES, *President.*

RESOLUTION—SURPLUS EQUIPMENT

Whereas the U.S. Government from time to time declares as surplus to its needs certain types of equipment and supplies; and

Whereas such items would be of great benefit in developing and maintaining wildlife conservation and restoration projects; and

Whereas H.R. 7190 and S. 2103 provide for the donation of surplus Federal equipment, supplies, etc., to the States for fish and wildlife management purposes: Now, therefore, be it

Resolved, by the Association of Midwest Fish, Game, and Conservation Commissioners, in 26th annual meeting at Lafayette, Ind., July 10, 1959, That the Congress be urged to adopt legislation of this nature; and be it further

Resolved, That the secretary of this organization transmit copies of this resolution to the chairman of the Senate and House Committees on Government Operations.

MISSOURI CONSERVATION COMMISSION,
Jefferson City, Mo., June 10, 1959.

Hon. THOMAS C. HENNINGS, Jr.,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HENNINGS: We respectfully urge your favorable consideration of S. 2103 which would permit the donation of surplus Federal equipment to the States for fish and wildlife management purposes. Similar legislation has been extremely beneficial to the forestry programs of the several States, and we feel that the ability to secure surplus Federal equipment definitely would boost the wildlife conservation program by releasing funds now devoted to the purchase of such equipment. In the face of rising costs of operation, it is essential that we make savings wherever possible in order to continue at a high level our services which are so important to vast numbers of citizens. Your support of this legislation is truly in the public interest and will be greatly appreciated by all sportsmen and conservationists.

Very truly yours,

WILLIAM E. TOWELL, *Director.*

WASHINGTON, D.C., July 29, 1959.

Re: S. 2244.

Hon. JOHN J. McCLELLAN,
Chairman, Committee on Government Operations,
Senate Office Building, Washington, D.C.

DEAR SENATOR McCLELLAN: Your committee has before it for consideration S. 2244, which would amend the Federal Property and Administrative Services Act to authorize the Administrator to donate surplus personal property to Indian tribes.

On behalf of the Standing Rock Sioux Tribe of North Dakota and South Dakota, the Rosebud Sioux Tribe of South Dakota, the Crow Creek Sioux Tribe of South Dakota, and the Shoshone Tribe of Wyoming, for whom I am attorney, I have been authorized to write this letter urging passage of the bill and drawing your attention to the need for possible amendments.

The last proviso in the bill limits the donation to tribes whom the Secretary of the Interior determines do not have funds which can reasonably be made available to purchase the property. In our experience, situations have arisen where the cost to the Government of disposing of the property may substantially equal the amount received from the disposition. It would seem that in such circumstances, the property should be donated even though the tribal funds can reasonably be made available.

Again, frequently, clothing, blankets, and similar items become surplus and could be put to good use among Indians. I am not sure the language of the bill covers such property since it is limited to tribes and tribal programs. It would be helpful if the committee report made clear the intent to include such items. Distribution to the people could be handled under an approved tribal program.

but, of course, the financial ability of the tribe should not enter into the decision of whether blankets, shoes, etc., should be donated for use by needy Indians.

Kind personal regards.

Sincerely,

MARVIN J. SONOSKY.

STATE OF WASHINGTON, HOUSE OF REPRESENTATIVES

Resolution by Representatives Mike McCormack, John Bigley, and
A. L. Rasmussen

Whereas the Federal Property and Administrative Services Act of 1949 makes surplus property available at minimum expense to health, education, and welfare groups, including the Boy Scouts, Boys' Clubs of America, Girl Scouts, and the Campfire Girls, and

Whereas H.R. 707 by Mr. Baldwin, of California, and H.R. 986 by Mr. Younger, of California, and H.R. 2442 by Mr. Tollefson, of Washington, and H.R. 2186 by Mr. McDowell, of Delaware, have been submitted to the U.S. Congress for consideration, and

Whereas the effect of these proposed bills would be to amend the Federal Property and Administrative Services Act of 1949 to extend the donation and other disposal of Federal surplus property to include also tax-supported public parks and recreation agencies, and

Whereas the availability of such surplus property would constitute a benefit to such agencies as the public parks and recreation facilities of the State of Washington, now, therefore, be it

Resolved, By the house of representatives of the State of Washington that the general intent of these bills is hereby endorsed, and be it further

Resolved, That the Congressional Committee on Government Operations, whose chairman is Mr. Dawson, of Illinois, be encouraged to hold public hearings on these bills in the near future and be further encouraged to recommend passage of legislation of this general intent, and be it further

Resolved, That copies of this resolution shall be forwarded immediately to members of the Congressional Committee on Government Operations, to the Speaker of the U.S. House of Representatives, and the congressional delegation from the State of Washington.

I hereby certify this to be a true and correct copy of resolution adopted by the house of representatives March 24, 1959.

S. R. HOLCOMB,
Chief Clerk, House of Representatives.

MID-MANHATTAN CLUB, INC.,
New York, N.Y., August 3, 1959.

HON. ERNEST GRUENING,
Senate Government Operations Committee, New Senate Office Building, Washington, D.C.

DEAR SIR: Reference is made to bill S. 1365 authorizing disposal of Federal surplus property to properly authenticated nonprofit welfare and recreation agencies, which action we heartily endorse.

You may be interested in knowing that this organization was founded and chartered in 1948 by the State of New York and our average year of work includes direct assistance in cash, services, and goods to underprivileged, the sick, and our numerous unfortunates in the community. Herewith is a partial list of our work this past 12 months:

1. Police Athletic League (cash and athletic supplies).
2. New eyes for the needy (thousands of glasses).
3. Federation of Jewish Philanthropies (hospitals, etc.).
4. Home of the Sages of Israel (a home for the aged).
5. American Merchant Marine Library Association (books).
6. Federation of the Handicapped (entertainment-dramatics).
7. Brooklyn State Hospital (entertainment-dramatics).
8. Veterans' hospital (entertainment-dramatics).
9. Williamsburg Settlement House (athletic equipment).

10. Boy Scouts of America (used our facilities).
11. Cub Scouts of America (used our facilities).
12. American Red Cross (used our facilities).
13. Hospital for Joint Diseases (toys and party for hospitalized children).
14. Jewish Hospital of Brooklyn (toys and party for hospitalized children).
15. Camp fund for underprivileged children (kids to camp).
16. Protestant Council of the City of New York (athletic gear).
17. United Jewish Appeal (assists people in distress).
18. Jewish Welfare Board (does Jewish community work, etc.).

You can see from this cross section work in assisting needy citizens, in character building among our youth, that the passage of this bill would help stretch our budget and assist us in continuing our noble work, directly or through other qualified social agencies.

Kindly include our letter in the hearing record.

Thank you very much for your kind attention.

Sincerely yours,

SOL MARKS, President.

NATIONAL ASSOCIATION OF STATE AGENCIES FOR SURPLUS PROPERTY,
San Antonio, Tex., August 3, 1959.

Senator ERNEST GRUENING,
*Chairman, Special Subcommittee on Donable Surplus, Senate Committee on
Government Operations, Senate Office Building, Washington, D.C.*

DEAR SENATOR GRUENING: Time will not permit me to determine just which of the institutions below are members of the National Council for Retarded Children but all those listed are institutions conducting specialized schools for mentally and/or physically handicapped children. I have omitted a number of children's hospitals and clinics of various sorts, as well as similar schools for adults. Most of those listed have established eligibility relatively recently and it is my impression that the councils for retarded children have recently begun, in Texas, at least, to organize their institutions on a basis that would permit them to be classified as a school rather than merely as an educational program.

The dollar values given is the approximate Government acquisition cost value of donable surplus received through this agency.

All institutions listed are small; none have as many as 50 enrolled.

1. The Rio Grande Association for Mentally Retarded (vocational school), \$13,000.
2. The Memorial Park School, Inc., El Paso, Tex., \$3,500.
3. Fort Worth Council for Retarded Children, Fort Worth, Tex., \$2,900.
4. Houston Council for Retarded Children, Houston, Tex., \$2,000.
5. San Antonio Council for Retarded Children, San Antonio, Tex., \$4,700.
6. The Mission Road Foundation School for Exceptional Children, San Antonio, Tex., \$165,000 (long-time participant).
7. Occupational Training Center, Fort Worth, Tex., \$36,000.
8. Children's Center of Wichita Falls, Wichita Falls, Tex., none (has just established eligibility).

I could, no doubt, list several others if I had time to contact our six district directors; there is such a variety of names of these organizations that it is a little difficult to determine from our accounting record here at the administrative office just which are engaged exclusively in conducting organized schools for mentally or physically retarded or handicapped children.

Those cited will, I hope, prove the point that organizations of this type are eligible if they are schools and many have been benefiting from the donation program.

Again, I wish to thank you and your committee, both on behalf of the Texas Surplus Property Agency and our national association for the privilege of testifying at the hearing.

I have air mailed to your staff considering material dealing with the donation program in Texas.

Very respectfully yours,

L. K. BARRY, President, NASASP.

NATIONAL REHABILITATION ASSOCIATION,
Washington, D.C., July 31, 1959.

Senator ERNEST GRUENING,

Chairman, Subcommittee on Donable Property, Senate Committee on Government Operations, Washington, D.C.

DEAR SENATOR: I am glad you are conducting hearings on legislative proposals to liberalize eligibility of organizations to receive donable property. I want to suggest that the committee consider recommending that legislative language be such as to make clear that rehabilitation facilities are eligible to receive donable property.

A rehabilitation center may be defined as a facility which is operated for the primary purpose of assisting in the rehabilitation of handicapped and disabled individuals through an integrated program of medicine, psychological, social, and vocational evaluation and services under competent professional supervision. If such an organization was purely educational, it would have no problem in connection with donable property. If it were purely medical, qualifying under the definition of a hospital, it would have no difficulty. Since it combines both of these elements, with certain additional ones which are covered in the definition, it frequently has difficulties qualifying. I'm sure it never was the intent of Congress that such organizations have problems along this line, but the truth is that such problems do arise frequently.

A workshop, from a rehabilitation standpoint, may be defined as a work-oriented rehabilitation facility with a controlled working environment and individualized vocational goals, which utilizes work experience and related services for assisting the handicapped person to progress toward normal living in a productive vocational status.

Both rehabilitation centers and workshops could profit from having unqualified opportunity to apply for and receive donable property. If the present legislation could be revised so as to make the rehabilitation center and the workshop eligible to receive donable property, it would be very beneficial in the rehabilitation of thousands of the country's severely handicapped individuals. This is an objective, I am sure, that your committee would like to see achieved.

Please call upon the National Rehabilitation Association for any further information along this line.

With best wishes, I am,

Sincerely yours,

E. B. WHITTEN, *Executive Director.*

STATE OF OHIO, DEPARTMENT OF EDUCATION,
Columbus, July 6, 1959.

Senator ERNEST GRUENING,

Chairman, Senate Committee on Government Operations, Special Subcommittee on Donable Property, Senate Office Building, Washington, D.C.

DEAR SENATOR GRUENING: It has come to the attention of the State Agency for Property Utilization, Ohio State Department of Education, that your special subcommittee will shortly hear some nine Senate bills providing for the expansion of the personal property phase of the surplus property donation program; that your subcommittee will shortly hear some four Senate bills proposing changes in the real property phase of the surplus property donation program; and that the subcommittee will also hear some seven real property bills, each of which is specific in nature.

Your particular attention is called to Senate bill 1018 which authorizes the donation of surplus property to certain agencies engaged in cooperative agricultural extension work. We respectfully suggest that when this particular bill is heard that the enclosed material dealing with the Federal Extension Service of the U.S. Department of Agriculture and the cooperative extension work, College of Agriculture, Ohio State University, be made a part of the record. A review and analysis of this documentation by your special subcommittee should prove to the members of the subcommittee that the several State agencies for surplus property utilization have been making Federal surplus personal property available to cooperative agricultural extension agencies since 1957. As a matter of fact Ohio started distributing surplus property through our land-grant college, Ohio State University, as early as October 10,

1956. This was some 8 months prior to the time that Mr. J. W. Ferguson, Administrator, Federal Extension Service, U.S. Department of Agriculture, released his memorandum to State extension directors on May 29, 1957. Subsequently, this memorandum was distributed by the Office of Field Administration, Division of Surplus Property Utilization, U.S. Department of Health, Education, and Welfare, to their eight regional offices for redistribution to State agency property heads. Please note the Chicago regional property coordinator's memorandum, dated July 15, 1957.

The material enclosed includes five 6-month summaries of property distributed to county agricultural extension agents in Ohio.

In view of the fact that Mr. Ferguson's release was sent to all State agency heads distributing Federal surplus personal property to health, education, and civil defense, it does not seem appropriate that Senate bill 1018 be enacted—in fact, property is already being distributed through land-grant colleges to county agricultural extension service agents.

No doubt you may know that the 50 States and the several possessions have formed themselves into an association known as the National Association of State Agencies for Surplus Property. This association has gone on record against any further expansion of section 203(j)(1), (3) and (4) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended.

May we respectfully call your attention to the fact that the Department of Defense, by directives and instructions, is violating section 203(j)(2) of referenced act. In this respect we refer you to DOD instruction 7420.3, dated June 9, 1955; Instruction 4160.9, dated June 24, 1955; Instruction 4160.13, dated May 20, 1957; Directive 5100.13, dated May 20, 1957; Instruction 4160.14, dated May 20, 1957; and Instruction 4160.18, dated February 10, 1959.

The Ohio Department of Education, State agency for property utilization, is opposed to changing section 203(j)(1), (3) and (4) of the referenced act for the purpose of including more institutions and organizations that might be eligible to receive Federal surplus personal property. We are not opposed to amending section 203(j)(2) of the act nor section 203(k) dealing with the disposal of Federal surplus real property to health and education (but not civil defense).

At your beck and call I shall be pleased to testify before the special subcommittee on behalf of the State of Ohio, State Department of Education.

For your information the president of the National Association of State Agencies for Surplus Property is Mr. L. K. Barry, San Luis and South Medina Streets, Post Office Box 4308, Station A, San Antonio, Tex.

Most sincerely yours,

WALTER G. RHOSEN, *Chief.*

U.S. DEPARTMENT OF AGRICULTURE,
FEDERAL EXTENSION SERVICE,
Washington, D.C., May 29, 1957.

To : State Extension directors.
Subject : Surplus Federal property.

Sections 203(j)(1) and (j)(3) of the Federal Property and Administrative Services Act of 1949, as amended, authorizes the donation of surplus Federal property among others to State colleges and universities to be used for educational purposes. Section 203(k) provides for transfer of surplus real property. We understand that in a few instances there have been misunderstandings over the application of these provisions in obtaining property for use in cooperative Extension Service educational programs. Apparently, the questions have been caused by requests for the donation or transfer of property to Extension employees or to the Extension Service as an organization. It is recognized, of course, that the act does not authorize the donation or transfer of property to specific organizational units or employees of State colleges and universities.

However, State land-grant colleges and universities may obtain property under the statute cited above and make it available for use in educational programs conducted by any department or employee of the college or university.

Since the Extension Service is an integral part of the college or university, and State and county Extension workers are college employees and are engaged in the conduct of off-campus educational programs of such institutions, the college or university may obtain Federal surplus property under the provisions cited above and make it available to State and county Extension workers for use in conducting approved cooperative Extension educational programs. Our understanding of this matter has been concurred in by representatives of the Department of Health, Education, and Welfare.

Application to obtain Federal surplus property should be made only through your college or university procurement officer in accordance with established institutional procurement procedures. If your procurement officer encounters any misunderstanding with regard to authority to make property donated to the college available for use in cooperative extension educational programs, we should appreciate your informing this office.

The Department of Health, Education, and Welfare will send copies of this letter to DHEW regional property coordinators.

Sincerely yours,

J. W. FERGUSON, *Administrator*.

—
DHEW, REGION 5,
Chicago, Ill., July 15, 1957.

To: W. L. Musser, regional property coordinator.

Subject: Eligibility—Donation of surplus property for extension service activities sponsored by State universities.

The attached memorandum regarding above referenced subject is submitted for your information and guidance.

Inasmuch as the cooperative Extension Service educational programs are sponsored by State universities and State colleges, the sponsoring college or university may acquire in its own name and furnish equipment for carrying out Extension programs through surplus property sources. At all times title to property so donated will be vested and remain in the State college or university responsible for carrying out the agricultural Extension program in the State.

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COOPERATIVE EXTENSION WORK IN AGRICULTURE AND HOME ECONOMICS,
Columbus, Ohio, August 8, 1957.

Mr. WALTER G. RHOSEN,
State Agency for Property Utilization,
Columbus, Ohio.

DEAR MR. RHOSEN: We regret the delay that has occurred since receiving your letter of July 17, 1957. You are aware, I am sure, how schedules can get involved and how easily we can get scheduled out of the office.

We noted C. M. Ferguson's reference to the Federal surplus property program in his release dated May 29, 1957. He knew of our developments in Ohio but, of course, in his operation he has to report on the national level and made his release accordingly.

We are extremely happy over the progress made in this State. I am attaching a copy of a report on the surplus property situation as of this date. We are also enclosing an excerpt from our "green" letter under date of August 28, 1956, a copy of which was forwarded to the Federal office at that time. In accordance with your suggestions I will follow through again with further information.

Very truly yours,

W. B. WOOD, *Director.*

Report of Federal surplus personal property transferred to agricultural extension service, College of Agriculture, Ohio State University, from Oct. 10, 1956, through June 30, 1957

Date of transfer	Total service charge	Estimated value of property transferred
From July 1, 1956, through Dec. 31, 1956:		
Oct. 10, 1956	\$335.07	\$4,188.00
Nov. 14, 1956	314.55	3,932.00
Total	649.62	8,120.00
From Jan. 1, 1957, through June 30, 1957:		
Jau. 10, 1957	119.74	1,497.00
Feb. 11, 1957	172.52	2,157.00
Mar. 27, 1957	61.27	766.00
May 17, 1957	134.46	1,681.00
Total	487.99	6,101.00
Grand total, July 1, 1956, to June 30, 1957	1,137.61	14,221.00

COOPERATIVE EXTENSION WORK IN AGRICULTURE AND HOME ECONOMICS,
Columbus, Ohio, October 8, 1957.

Mr. WALTER G. RHOTEN,
State Agency for Property Utilization, Columbus, Ohio.

DEAR MR. RHOTEN: You wrote me some time ago concerning our Federal surplus property program as it is operated through agricultural extension here at the university. We appreciate fully the progress that has been made. The list which you attached is evidence that our staff is receiving a large amount of valuable equipment. This will add materially to the total extension program. We appreciate this report and will look forward to later ones, which I understand you plan to submit.

Mr. Amsbaugh tells me that a schedule is being continued for agents to visit the depot.

Please accept our appreciation for the excellent manner in which you are handling this program.

Very truly yours,

W. B. Wood, Director.

Report of Federal surplus personal property transferred to agricultural extension service, College of Agriculture, Ohio State University, from July 1, 1957, through June 30, 1958

Date of transfer	Total service charge	Estimated value of property transferred
From July 1, 1957, through Dec. 31, 1957:		
July 9	\$49.38	\$617
Sept. 3	119.59	1,495
Oct. 8	148.45	1,856
Nov. 14	90.24	1,410
Dec. 18	14.02	219
Total	421.68	5,597
Grand total July 1, 1956, through Dec. 31, 1957	1,559.29	19,818
From Jan. 1, 1958, through June 30, 1958:		
Jan. 28	148.50	2,121
Feb. 25	113.66	1,749
Mar. 31	66.34	790
May 2	129.17	2,189
June 9	36.85	819
Total	494.52	7,668
Grand total July 1, 1956, through June 30, 1958	2,053.81	27,486

COOPERATIVE EXTENSION WORK
IN AGRICULTURE AND HOME ECONOMICS, STATE OF OHIO,
Columbus, Ohio, July 30, 1958.

Mr. WALTER G. RHOTEN,
Chief, State Department of Education,
Columbus, Ohio.

DEAR MR. RHOTEN: Thank you for your letter of July 25 and the enclosed report on our transactions with surplus commodity during the past 6 months. We note also the grand totals showing the transactions from July 1956 through June 30, 1958.

Although our operation has not been so extensive as we had anticipated, we want you to know we feel the program has made a real contribution to our extension program. It would be my recommendation that we continue operating on a basis similar to the one already set up for at least a time longer to determine the future trends a little more definitely.

Very truly yours,

W. B. Wood, Director.

Report of Federal surplus personal property transferred to agricultural extension service, College of Agriculture, Ohio State University, from July 1, 1958, through Dec. 31, 1958

Date of transfer	Total service charge	Estimated value of property transferred
Oct. 8.	\$234.15	\$6,504
Nov. 12	293.11	6,106
Dec. 10	275.70	4,447
Total	802.96	17,057
Grand total, July 1, 1956, through Dec. 31, 1958	2,856.77	44,543

JULY 2, 1959.

W. B. Wood,
Director, Agricultural Extension Service,
College of Agriculture, Ohio State University, Columbus, Ohio.

DEAR MR. WOOD: In our letter, dated August 23, 1957, we advised you that every 6 months the State agency for property utilization of the department of education, would transmit to you a report in the form of a financial summary showing the dollar value of Federal surplus personal property transferred to county agricultural extension agents through the Agricultural Extension Service, College of Agriculture, Ohio State University.

Enclosed is the fifth semiannual report for the period of January 1, 1959 through June 30, 1959. You may wish to include this information in the next issue of the extension service's "green" letter.

You will note that from the first transfer, dated October 10, 1956, through June 30, 1959, that the State agency for property utilization of the department has transferred property to county agricultural extension agents valued at \$53,499 at a transfer charge of \$3,372.50 or 6.3 percent of its acquisition cost.

Very truly yours,

WALTER G. RHOTEN, Chief.

Report of Federal surplus personal property transferred to agricultural extension service, College of Agriculture, Ohio State University, from Jan. 1, 1959, through June 30, 1959

Date of transfer	Total service charge	Estimated value of property transferred
Apr. 10	\$20.25	\$413
May 8	173.61	2,993
June 12	321.87	5,550
Total	515.73	8,956
Grand total July 1, 1956, through June 30, 1959	3,372.50	53,499

STATE OF OHIO,
DEPARTMENT OF EDUCATION,
Columbus, July 14, 1959.

Senator ERNEST GRUENING,
Chairman, Special Subcommittee on Donable Property, Senate Committee on
Government Operations, Senate Office Building, Washington, D.C.

DEAR SENATOR GRUENING: Reference the department of education's letter, dated July 6, 1959, pertaining to the transfer of Federal surplus personal property through Ohio State University, College of Agriculture, cooperative extension work, for use by county agricultural and home economic extension agents.

In our letter of above date we endeavored to point out to your Special Subcommittee on Donable Property that there is no need to enact Senate bill 1018 because property is already being made available to cooperative agricultural extension services in this as well as other States.

Under date of July 2, 1959, we asked Director W. B. Wood, of the cooperative extension service of Ohio State University to reply to certain questions. For the subcommittee's information these questions and answers follow:

1. Question. How many of the 88 counties in Ohio have been assigned dates to select property in the State agency warehouse? Answer. Fifty-nine counties have been assigned dates to select property in the State agency warehouse. All counties have been advised of the availability of Federal surplus property and given instructions about requesting selection dates.

2. Question. How many of the counties that have been assigned dates have actually visited the warehouse and selected property? Answer: Forty-seven counties have visited and selected property. Twelve additional counties visited the warehouse, but made no selections.

3. Question. List the counties that have participated and indicate, dollarwise, the service charges they have paid for the property received. Indicate the number of single items of property received by each county. Answer. This information is shown on a separate map.

4. Question. Have any letters been received from county agricultural extension agents in which they comment on the value of the program? Answer. We do not have available any letters from county extension agents commenting on the value of the program. From comments we have heard the range is from "of no value to me" to "very worthwhile." Some agents have visited the warehouse looking for a specific item or two. Not finding it that particular assigned date, they are disappointed and do not return. We recognize the value of the equipment transferred and believe it most worthwhile.

All who have recently visited the warehouse are in agreement that the new arrangement of items in the warehouse, the use of bins, and the grouping of similar items are a decided improvement.

A few agents do not feel that they can justify a full day from a heavy county schedule to visit the warehouse.

In a brief analysis we made, other interesting facts were uncovered that may be of significance. They are:

(a) The average service charge per county to date is \$68.94. The range is from \$1 to \$272.14. Only the 47 that actually made selections were considered.

(b) The average number of items selected to date is 142. The range is from 1 to 604.

(c) The average service charge per visit is as follows: 18 counties making 1 trip only, \$22.85; 8 counties making 2 trips only, \$25.87; 12 counties making three trips only, \$26.89; 9 counties making 4 or more trips, \$39.03.

5. Question. Would the cooperative extension service of Ohio State University care to make any recommendations that might improve the program?

Answer. We are of the opinion that the program is worthwhile from our point of view and hope that we may continue to participate. It might be that a limitation of four to six scheduled dates per year would now meet our needs adequately.

Our agents are interested in obtaining office equipment and supplies. We would be most appreciative if a method could be devised, without showing partiality to us, whereby more office machines, files, cabinets and the like could be available on days agents are scheduled in.

By the answers given to the questions, you can see that the cooperative extension service, College of Agriculture, Ohio State University, is definitely interested in continuing to obtain Federal surplus personal property.

We respectfully suggest that when Senate bill 1018 is heard that the map and the enclosed material be made a part of the record.

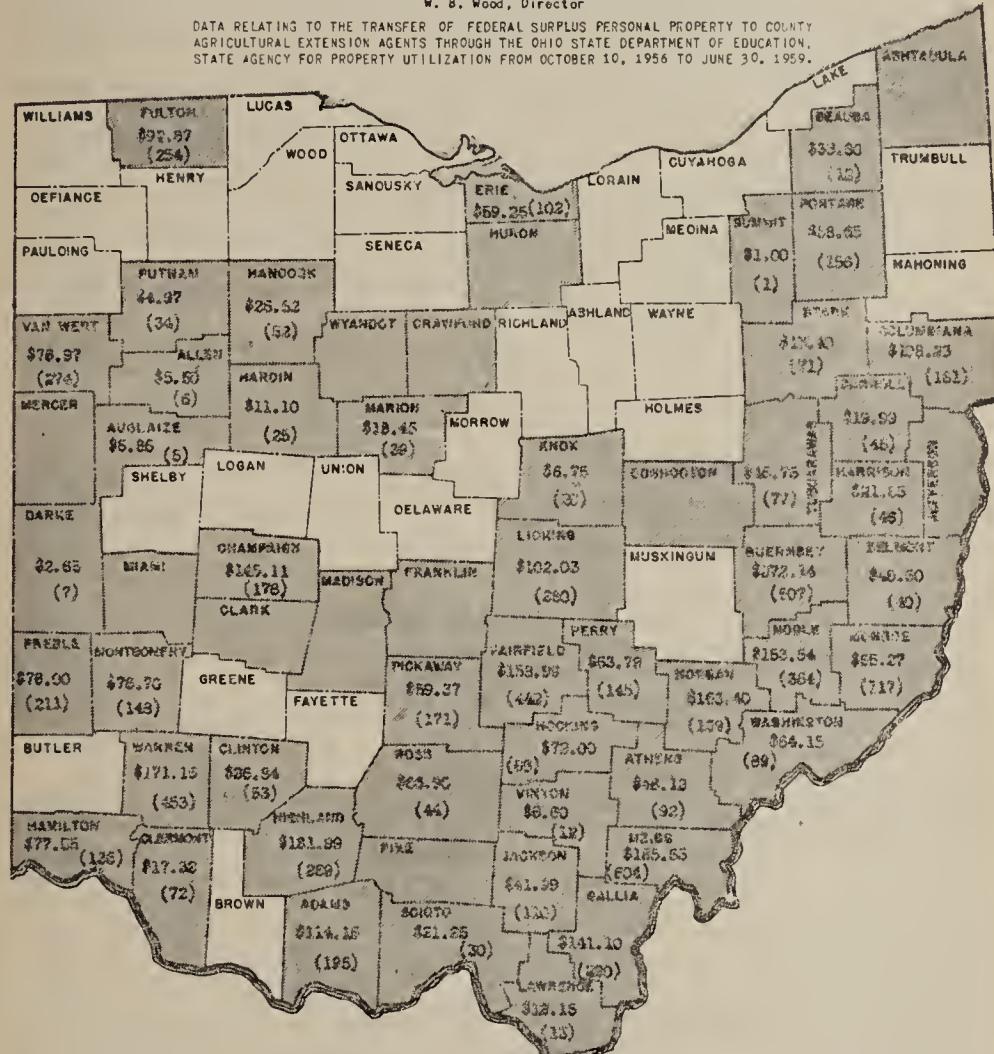
Most sincerely yours,

WALTER G. RHOEN, *Chief.*

THE OHIO STATE UNIVERSITY
COLUMBUS 10, OHIO

Agricultural Extension Service
W. B. Wood, Director

DATA RELATING TO THE TRANSFER OF FEDERAL SURPLUS PERSONAL PROPERTY TO COUNTY AGRICULTURAL EXTENSION AGENTS THROUGH THE OHIO STATE DEPARTMENT OF EDUCATION, STATE AGENCY FOR PROPERTY UTILIZATION FROM OCTOBER 10, 1956 TO JUNE 30, 1959.



LEGEND: OCTOBER 10, 1956 to JUNE 30, 1959

- Upper figure - Indicates 6% service charge paid by County Commissioners for property acquired by Agricultural Extension Agents.
- Lower figure - Indicates number of single items of property acquired by County Agricultural Extension Agents.
- Fifty-nine (59) of the eighty-eight (88) County Ag-

gricultural Extension Agents have visited the State Department of Education's warehouse.

4. Forty-seven (47) of the eighty-eight (88) County Agricultural Extension Agents have acquired property from the State Department of Education's warehouse.

5. Twenty-nine (29) of the eighty-eight (88) County Agricultural Extension Agents have not participated in the program.

INTERNATIONAL RESCUE AND FIRST AID ASSOCIATION,
Alexandria, Va., August 1, 1959.

Senator ERNEST GRUENING,
Chairman, Subcommittee on Donable Property,
Senate Committee on Government Operations,
Senate Office Building, Washington, D.C.

DEAR SENATOR GRUENING: Thank you for the opportunity of making a matter of record the support of the International Rescue and First Aid Association of those bills which would amend the Federal Property and Administrative Services Act of 1949 to make both volunteer fire departments and volunteer rescue and first aid squads eligible for donations of surplus Government property.

Our association first went on record in regard to expanding eligibility under the donable property program at its 1956 convention at Toledo, Ohio, with the membership, assembled in convention session, adopting the following resolution:

"Whereas in recent years our great Nation has suffered enormously from the destructive forces of nature by virtue of hurricanes, floods, and tornadoes, which caused great tolls in loss of life and injury to thousands of our citizens as well as being most destructive to commercial establishments and residential structures; and

"Whereas these catastrophes must be met by the immediate organization of disaster squads, equipped with articles from Federal surplus stockpiles, which would greatly enhance rescue, first aid, and transportation so vital at said disaster areas; and

"Whereas disaster squads should be organized, equipped, and trained within the organizational planning of Armed Forces reserve training centers, stations, and armories, Civil Defense, Civil Air Patrol, and organized civilian rescue and first aid squads; and

"Whereas the release of said surplus Federal equipment would also enhance routine localized functions on a year-round basis and thereby greatly reduce death and injury tolls from the presently high rates; and

"Whereas human misery could be relieved and alleviation of unwarranted delays could be achieved by trained and well-equipped squads which would provide the best in rescue, first aid, and transportation; and

"Whereas within the past 2 years the eastern seaboard and the New England States have suffered high tolls in loss of life and billions in property losses, causing peril to our national security and public safety: Now, therefore, be it

Resolved, That this resolution be unanimously passed in concurrence and proper Federal authorities be notified."

The IRFAA's position has been reaffirmed at subsequent conventions and again by our board of directors and executive committee, meeting jointly at Alexandria, Va., February 28, 1959, with emphasis that both volunteer fire departments and volunteer rescue and independently operating volunteer rescue and first aid squads should be eligible to receive donable surplus Government property.

The action taken at the February 28, 1959, joint meeting specifically endorsed H.R. 105 which was introduced by Representative W. Pat Jennings, of Virginia, at the opening of the present session of Congress.

Mr. Jennings' remarks as set forth in the Appendix (A2118) of the March 12, 1959, issue of the Congressional Record include the IRFAA action of February 28, 1959, the resolution adopted at Toledo, Ohio, in 1956 and specific information regarding our association and its objectives.

There is apparently a willingness to make volunteer fire departments eligible for donations of surplus Government property; and some hesitancy as to including volunteer rescue and first aid squads in the donable property program.

We believe the latter may result from lack of complete information as to the organization, training and community-level services of the volunteer rescue and first aid squads and crews which are not part of volunteer fire departments, but are likewise giving continuous humanitarian services in their respective communities. These volunteer rescue and first aid units are, like most of the volunteer fire departments, dependent almost entirely on contributions of residents of their own communities and special fund-raising efforts for purchase and maintenance of their vehicles and equipment, headquarters buildings, and operational costs.

The fact that more and more volunteer rescue and first aid squads are being formed every year, and almost every month, is evidence that these units, whether independent or a part of a volunteer fire department, are meeting community needs.

Other factors which are part of the overall picture in regard to volunteer rescue and first aid squads are: The organized rescue and first aid movement is comparatively young—with the pioneer units organized from 25 to 20 years ago—in comparison to the volunteer fire departments, some of which have been in service since Colonial days; and a number of States do not have such volunteer squads and crews in their communities, and their communities and rural areas, not having municipal emergency unit services, are entirely dependent on funeral home or commercial ambulances and hence residents of those States are not familiar with the round-the-clock work of the many thousands of volunteers, both men and women, who are trained members of the organized rescue and first aid squads and crews.

It is in behalf of these many thousands of men and women who have given, and continue to devote their time, their skills, and contribute their own money as members of organized and trained units, that our association urges amendment of the Federal Property and Administrative Services Act of 1949 to make both volunteer fire departments and volunteer rescue and first aid squads—independent operating as part of or within volunteer fire departments—eligible for donation of surplus Government property.

We wish to point out that our membership includes municipal (paid), funeral home, and commercial ambulance units as well as volunteer fire departments and independent volunteer squads and crews. We accept the funeral home and commercial units as members providing each ambulance driver and attendant has had first aid training and carries at least a standard first aid card. We believe and recommend that all drivers and attendants or other personnel of emergency vehicles should be required to have had first aid training and have a current card showing such training.

We regret that the situation and time element were such that representatives of our association could not appear personally at the hearings held by the Subcommittee on Donable Property, but appreciate the opportunity and thank you and the other members of the subcommittee for permitting the IRFAA to make the foregoing a matter of record in behalf of the volunteer rescue and first aid squads and the volunteer fire departments across the Nation.

MAX L. SPRAY, *Executive Director.*

INTERNATIONAL RESCUE AND FIRST AID ASSOCIATION, INC.

*"And a certain Samaritan * * * going up to him bound up his wounds, pouring in oil and wine; and setting him upon his own beast, brought him to an inn and took care of him."—Luke 10: 33-34.*

THIS IS THE IRFAA

The International Rescue and First Aid Association is an association of organized volunteer, paid, and industrial rescue squads, ambulance, and first aid crews, fire departments, and other comparable units equipped with all types of rescue and first aid apparatus and devices which can be carried in mobile units, either by vehicular, water, or air transport; county, State and other associations; and individuals, both men and women, active or interested in the rescue and first aid movement.

The IRFAA membership thus is composed of individuals, organized units, and associations, and associate members in the United States, Canada, and other countries. This association was organized in 1948 at the first annual convention in Atlantic City, N.J. The IRFAA is incorporated under the code of the Commonwealth of Virginia as a voluntary nonprofit organization.

OBJECTIVES OF THE IRFAA

1. To promote the ideas of organized rescue and first aid work throughout the world.
2. To promote and assist in the establishment and training of rescue and first aid organizations.
3. To cooperate to the fullest possible extent with other organizations whose objectives are accident prevention, safety education, rescue, and first aid work.
4. To cooperate in, foster, and conduct research designed to advance the science and art of rescue and first aid work, and to encourage the desirable standardization of practice and equipment.

5. To establish a system of mutual assistance both within the association and with other organizations to be used in the event of large-scale disaster.
6. To develop and maintain a code of high ethical standards among rescue and first aid personnel.
7. To promote the general good and welfare of the members of the association.
8. To aid in bringing about and maintaining world harmony by developing a spirit of kinship among the people who are devoted to the cause of saving life and aiding the sick and injured.
9. To bring together in a common association all organizations and individuals interested in the aforementioned objectives.

ACTIVITIES

All activities of this association are designed and carried out to accomplish and forward the aforementioned activities. All elected and appointed officers are volunteers in their work in and for the association except the executive director who is employed to conduct the operations of the executive office and to serve as editor of the association's official magazine, the International Rescuer.

This association encourages plans of cooperative action and mutual assistance among its members; and on local, county, State, Provincial and other levels but it does not itself become operational in any emergency or disaster situation whether it be of a local, State, national or international character. It does not order, dispatch, or request any member unit to go to the scene of any emergency or disaster of any type. Any unit, individual, or organization does not lose any autonomy or freedom of action through membership in this association.

EXECUTIVE OFFICE

The association's executive office is located at 101 North Alfred Street, Alexandria, Va. Telephone King 8-1255. Night telephone Temple 6-0537. All correspondence and requests for information or membership applications should be directed to the executive office.

WHY BELONG TO THE IRFAA?

This association is an international organization with worldwide goals. It is working for better recognition of organized rescue and first aid activities by organizations, governmental officials, agencies, and departments on community, State, Provincial, national and international levels. Individual, unit, and association membership gives each such member of this association direct participation in promoting this greater understanding and recognition of the organized rescue and first aid movement.

Membership also provides—

1. Mutual exchange of information regarding best procedures, practices, and new techniques.
2. Opportunity for participation in annual conventions.
3. Voting participation in the association's activities.
4. The official magazine, the International Rescuer, and other informative mailings which may be made from time to time.

MEMBERSHIPS AND DUES

Active membership in this association is open to individuals, both men, women, units, and associations actively engaged in the training and/or practice of rescue, lifesaving, and first aid work or those comparable activities of safety, accident prevention, and prevention of loss of life, injuries, and property damage by accident, fire, or disasters from any cause.

Associate membership in this association is open to those individuals or concerns who manufacture or sell rescue, first aid, and comparable equipment, vehicles, and supplies, or who are otherwise interested in financially aiding the association.

Dues are on an annual, calendar-year basis. There is no initiation fee or assessment. Payment of dues for the current year only is required for initial membership. Subsequent annual dues are on January 1 of each year.

The dues for individual active membership are \$3 per year. Each individual holding direct membership has one vote in the association and receives a membership card, the official magazine, and other mailings as a part of membership.

The dues for units—squads, crews, brigades, corps, fire departments, and other organized groups, including those operating in industry, whether volunteer or paid—are \$10 per year. The unit member has five votes in the association; and receives a membership certificate, the official magazine, and other mailings as a part of membership.

Dues for association membership—organizations of city, county, bicounty, State, Provincial, territorial, national and international scope—are \$25 per year. The member organization has 10 votes in the association; and receives a membership certificate, the magazine, and other mailings as a part of membership.

ASSOCIATE MEMBERSHIP

Dues for associate membership are \$5 per year for employees or representatives of manufacturers and distributors; \$25 per year for distributors and resale organizations; and \$50 per year for manufacturers building rescue, first aid, fire-fighting, and other vehicles, equipment, and supplies, or who wish to financially aid the association. Associate members do not have a vote in the association. Each associate member receives a membership card and/or membership certificate, the official magazine, and other mailings as a part of membership.

IRFAA "HONOR ROLL"

When the current year's dues are paid for the unit and each of its active members, the unit receives a special 100-percent membership certificate. All 100-percenter units are listed in the honor roll which is published regularly in the International Rescuer.

INTERNATIONAL RESCUER

This association's official magazine, the International Rescuer, is published bimonthly. It is distributed to each direct member—one copy of each issue to each individual, unit, association, and associate member—with a specified portion of each such member's annual dues being designated as the current year's subscription for this publication. The association solicits advertising for this magazine which is now distributed in more than 40 States, most Canadian provinces, and to some individual members in other countries. Advertising rates are immediately available on request to the executive office.

IRFAA EMBLEM

Any individual member and member unit may use shoulder patches, lapel buttons, vehicle shields, and so forth, carrying the IRFAA emblem when in good standing with dues paid for the current year. Members of units in good standing may use IRFAA emblem items as indirect members of this association. Emblem items may be purchased from the executive office.

CONTRIBUTIONS DEDUCTIBLE

This association is exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 in line with a ruling by the Exempt Organizations Branch of the Internal Revenue Service. The association welcomes contributions and gifts to further its educational and other objectives. Such contributions and gifts are deductible by the donors in computing their taxable income in the manner and to the extent provided by section 170 of the 1954 code.

SEPTEMBER 3, 1959.

Hon. JOHN L. McCLELLAN,

Chairman, Government Operations Committee, U.S. Senate.

DEAR MR. CHAIRMAN: This is with further reference to your letter of June 29, 1959, requesting the views of this agency on S. 2198, a bill to amend the Federal Property and Administrative Services Act of 1949.

The bill would make surplus property acquired by eligible American educational organizations available for use in a foreign country where such organizations were "working among underprivileged tribal groups pursuant to contract agreements under such foreign country." Under existing law (sec. 203(j) of the above act), surplus property is available to American educational institutions only for domestic use.

We are informed that the Bureau of the Budget is opposed to enactment of this bill for reasons not related to this agency or its activities. From the point of view of the oversea information program, there is no compelling reason to dissent from the Budget Bureau's position. However, if the committee does consider the bill, it may wish to broaden the scope of the bill to permit American institutions which engage in educational or research activities in a foreign country (pursuant to contract with such country), and which are otherwise eligible to acquire surplus property, to take surplus property abroad for use in connection with such activities. It would seem difficult to explain to a foreign country that only organizations working among underprivileged tribal groups may take American surplus property overseas.

We appreciate the opportunity to offer the foregoing comments.

Sincerely,

HARRY TYSON CARTER,
General Counsel and Congressional Liaison.

SWEENEY, MAHARY & EWING,
Newburgh, N.Y., September 2, 1959.

Hon. ERNEST GRUENING,
Senate Government Operations Committee,
New Senate Office Building, Washington, D.C.

DEAR SIR: As a member of a local advisory board of the Salvation Army, I am interested in the passage of bill S. 1365, which would make the Salvation Army and other agencies eligible for Federal surplus property. I feel certain that the Salvation Army would make good use of such surplus property and that many people would benefit from it.

I would, therefore, appreciate anything you could do in furthering the adoption of this bill.

Very truly yours,

GORDON W. EWING.

TOWN OF EATONVILLE,
Eatonville, Wash., August 28, 1959.

Hon. HENRY JACKSON,
U.S. Senator,
Washington, D.C.

DEAR SIR: This letter is sent to draw your attention to the matter of governmental surplus equipment and materials being made available to municipalities. I know that such surplus has been given to schools and universities and in some cases has never been utilized by the recipients.

As you are well aware all governmental agencies are faced with financial problems. It is my opinion that small towns are faced with a more acute problem than are larger cities. By small I am thinking in the class of 2,000 population and less.

If surplus equipment and materials were made available to us here in Eatonville we could make street extensions, open alleys, etc., at a reasonable cost. By having to rent equipment or contract jobs out, the cost becomes prohibitive.

If our town is to grow, and all Pacific coast towns will according to all population predictions, in an orderly and planned fashion these things are necessary.

I know that this situation is not only here but all over and that allocation of materials to smaller communities would create a problem. However this need by small towns is urgent and is most certainly worthy of some thought and consideration.

Yours very truly,

DUELL DRANE, *Mayor.*

CHEVY CHASE, Md., *August 3, 1959.*

Senator GRUENING,
Chairman of Special Subcommittee on Donable Property, New Senate Office Building.

DEAR SENATOR GRUENING: I attended the hearings but didn't ask to speak as I am not connected with any surplus property committee, and I don't feel that I am anybody of importance, but I am interested in helping the reformatories get

in on this program—especially for things that would be of help in their educational programs.

I can't think of any place where this material and equipment would be more beneficial, or where the need is as great.

I would like to say that I think that the surplus property program is wonderful, as it has meant so much to so many, and could mean so much to so many more.

The schools, hospitals, and civil defense places usually have enough to get along on fairly well, I believe.

If the State reformatories could get in on this surplus program—think what it could mean to those people who have made mistakes (and we all have) and need training to be able to get a job when they get out, and do become good citizens. If they are not trained what can we expect?

There is so much that could be said about this, but I would rather enclose an article from the Reader's Digest (January 1959) about what has been done on the west coast in California (I don't know whether they get surplus property). I believe surplus property would help a lot toward doing the same thing in other places.

I haven't done much but I am doing the best I can. The main place I am interested in at present is the Reformatory for Women at Jessup, Md. I feel sure that I will be allowed to start teaching in one of the Federal places in this area soon.

Thank you for your consideration.

Sincerely,

JOHN T. CARRUTHERS.

[Reprinted from Reader's Digest, January 1959]

THEY TURN CRIMINALS INTO CRAFTSMEN

In California, labor unions and businesses are working together in a unique experiment to transform prisons into schools for rehabilitation.

Condensed from "The Lion," Ruth Mulvey Harmer

Roy was a three-time loser—with 1,000 burglaries on and off his record. When he left San Quentin in 1953, fellow inmates bet that he could not go straight for more than 36 hours.

They lost. A representative of the California Newspaper Publishers Association helped Roy get started in an editorial job. Today Roy has a prospering public relations business; he is married and has earned the respect of his community.

George was a convicted forger. At the Men's Prison at Chino, he applied for training in the prison furniture factory and became a skilled worker. When he was paroled, a member of the Furniture Manufacturers Association of Southern California offered him a job. Several years ago, with the encouragement and financial aid of his employer, he started his own factory.

Roy and George are products of a unique experiment in California, where labor and management are cooperating with State officials to rehabilitate criminals by converting them into craftsmen.

Almost 500 business and union leaders are working in this remarkable partnership. As a result, California's State prisons today employ more vocational training instructors than are employed in any other State; in addition, 29 industrial shops and factories and 19 farming and ranching operations are providing prisoners with more on-the-job training than is available in any other State prison system. In only a few years, this program has saved millions of tax dollars and salvaged thousands of lives.

The California story began in 1944 when the State was rocked by a series of prison scandals. Gov. Earl Warren pushed a reorganization act through the legislature. The old, politically appointed board of prison directors was replaced by a department of corrections. Into the director's post went Richard A. McGee, a tall, mild-mannered, former university instructor, previously deputy commissioner of correction of New York City and director of public institutions in the State of Washington. "He was," Chief Justice Warren commented recently, "one of the best appointments I ever made."

From the first, McGee stated his philosophy simply: "Primitive people take revenge. A civilized society should try to rehabilitate."

McGee first provided adequate living conditions and decent food for the over-crowded prisoners. He staffed his institutions with trained professionals under a rigid civil service merit system. During recent years, an unprecedented number of prison riots and mutinies have taken place throughout the country, but there has been no trouble in California.

But McGee knew that maintaining prison order was only a part of the job. He had served as warden of New York's Rikers Island Prison, and he was haunted by the scene he had often witnessed as the men left. "We'll be seeing you," they said in cynical farewell. "They left," McGee says, "100 a day; they returned, 100 a day."

He went to the California Legislature: "Unless prisoners spend their time in a meaningful fashion, one term is prolog to another. Let's help them the first time so they won't come back again."

The legislators voted funds, and prison educational programs were expanded so that today more than 8,000 men and women are enrolled in courses. (In 1951, 361 inmates received high-school diplomas and 731 earned elementary diplomas; provided by local school districts, the diplomas tactfully omit the name of the institution.)

But there still remained a lack of constructive jobs in the prisons. The only industrial training available for many of the men was the rock pile at Folsom and the jute mill at San Quentin. McGee again pleaded before the legislature, persuading them this time to expand greatly the program of prison trade schools and industries.

Canneries, auto-repair shops, furniture factories, clothing plants, and print shops sprang up in the prisons. Today, for example, at the Deuel Vocational Institution, inmates receive instruction in some 20 trades, including drycleaning, meat cutting, aircraft-engine mechanics, sheet-metal work, shoe repair.

McGee should have been satisfied. Most of his prisoners were constructively occupied and they were learning a trade. "But for what?" he worried. The only jobs usually available to ex-convicts were dishwashing, fruit picking, and other menial and migratory occupations. Expecting a man who had become a craftsman to be satisfied with such jobs was asking for trouble. Somehow real opportunities had to be found for the men. "We can't do it alone," McGee acknowledged. Labor unions and employers would have to help.

In 1945 Omar E. McNally, business representative of Lodge 238, International Association of Machinists of San Rafael, conferred with San Quentin's famous warden, Clinton T. Duffy, about the possibility of setting up a vocational training program in the prison. With the approval of the local union, a joint apprenticeship committee was formed to draw up training standards.

Ignoring the protests of the State apprenticeship council against prison training, McNally went to the California Conference of Machinists, an organization composed of other machinists locals, and secured their support. His international officers in Washington also approved. In short order, a full-fledged union-accredited apprenticeship program was instituted for machinists at San Quentin. Bay area employers, represented by the California Metal Trades Association, took a look, approved, and assigned a staff member to work with the program.

Almost overnight San Quentin's morale soared; hundreds of inmates petitioned to work in the machine shops. A year later, District 94 of the Machinists Union, Los Angeles, together with some employer groups, set up a similar program specializing in aviation mechanics training at Deuel. The Civil Aeronautics Administration cooperated, voting to count institutional training time toward an aircraft repair license.

Encouraged, McGee authorized other wardens to set up similar labor-management groups. He traveled up and down the State, speaking to union and industry conclaves. Everywhere the message was the same: "Most of these men and women are going to come back from prison. Are they coming as criminals or craftsmen?"

The response to McGee's appeal was the launching of the trade advisory committees. Wesley O. Ash, special assistant to McGee, is in charge of this program. The TAC groups, representing almost every trade in California, meet regularly at the prisons to discuss projects and set work standards. They provide instruction in new industrial techniques and interview prisoners about to be paroled. Many employers have authorized their representatives to offer jobs on the spot.

Folsom has 5 advisory committees; San Quentin has 8; Chino, 11. Most are organized around a particular trade. Employee members have been generous in other than advisory ways. At Chino, the Ford representative on TAC provided a new automobile for automotive trainees to work on. At Soledad, automotive companies have provided training films and parts. The Pomona Tile Co. contributed 1 million square feet of tile for a Chino training-building program.

Several years ago, some trade advisers helped set up a cotton textile mill at San Quentin—the first in this cotton-growing State. The mill, with a 1957 production of \$837,000, has astonished industrial engineers by the quality of its performance, and may serve as the pilot for privately owned plants.

How successful has the plan been? Without TAC hundreds of additional persons would probably be in California's State prisons today. Partly because trained inmates are often considered ready for parole earlier than untrained men, the average prison time has been reduced from 33 to 27 months, an unexpected bonus for taxpayers. (It costs \$1,500 a year to keep a man in prison, not including support for his family.)

The beneficial results of the program have been spiritual as well as material. The fact that TAC members are more interested in the inmates' future than in their past has a tremendous impact on these discouraged men. "Nobody ever told me before that I could hold down a good job outside," was the pleased reaction of one inmate.

There are still failures among the graduates. But the successes are many and some are outstanding. Few people would have held much hope for a four-time loser who had papered his way across the country with bad checks. Yet this man, who worked in the Folsom machine shop and obtained a job through the machinists' TAC, is now a foreman in one of the largest plants in San Francisco. A rapist from San Quentin is doing well as an inspector in a defense plant; a murderer has become a successful plasterer.

In spite of occasional failures, no member of a TAC has ever resigned because of lack of faith. When a brief strike occurred in the Los Angeles furniture industry, the TAC meeting went on as scheduled. A few hours before the meeting, Roy Taylor of the AFL Furniture Workers Union and Eddy S. Feldman of the manufacturers' association had been deadlocked. At the meeting, the two men conferred with earnest friendliness about what both have come to consider "our" program.

A California businessman expressed the viewpoint of hundreds of employers when he spoke of prison-trained workers. "These men," he said, "have been about the best employees I ever had. They know their trade and are willing to work hard. When a man finds a place where he is useful, he's made a big step forward."

AUGUST 18, 1959.

Hon. ERNEST GRUENING,
Chairman, Subcommittee on Donable Property, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: At the hearing before your subcommittee on August 10, last, your requested that the Office of Civil and Defense Mobilization supply a statement with respect to the editorial of July 5, 1959, which appeared in the Springfield Daily News, of Springfield, Ohio, inserted in the Congressional Record of July 29, 1959, page A6557, by Senator Young, of Ohio.

The Springfield Daily News editorial contained two major points with respect to the acquisition and use of Federal surplus personal property by the States and their political subdivisions, which are responded to below. However, the committee's attention is invited to the fact of the property donated to Champaign County and recovered by the State of Ohio, no item involved an acquisition cost in excess of \$2,500, and thus the corrective action with respect to this property was that of the State of Ohio pursuant to section 203(j) of the Federal Property and Administrative Services, as amended, and in accordance with the OCDM agreement with the State.

The two quotations from the editorial are commented upon as follows:

(1) "The State civil defense headquarters has called on Champaign County officials to return the civil defense equipment which the county received last year."

The equipment was ordered returned because it was being used for other than civil defense purposes and the usage was not in accordance with the requirements placed upon the political subdivision by the State of Ohio. County officials did obtain \$46,494.50 worth of surplus property for \$1,826. The State of Ohio, in

its regular audit of (State) public offices, found that excessive amounts of equipment such as typewriters, stereoscopes, adding machines, files, wrenches, and screwdrivers had been obtained by the Champaign County organization in quantities considerably excess to its needs. The auditors further found that the administrative expenses involved (\$1,826) had been paid by private individuals to the county commissioners. Investigation showed the surplus property items in question to be in the custody of private persons. It should be emphasized that it was the State itself which uncovered this case, and took corrective action. Although it may have been a mistake in judgment in the first instance to permit such quantities of property to be donated to Champaign County, Ohio's prompt remedial action indicates a responsible attitude and approach to the program, characteristic of the States. The State has reclaimed and is now in possession of virtually all items donated to Champaign County.

(2) "No one can condone, of course, the use of any Government equipment by private individuals for private purposes, but there is question as to why any Government surplus items would be stored merely to rot away if they can be put to advantageous use for the citizens who footed the bill for the equipment in the first place."

As indicated in our statement to the committee, a very minor portion of the property donated for State purposes is placed in storage. No storage space is acquired by the OCDM for property donated by the States. To date, property donated for "reserve stocks" purposes represent a very small percentage of acquisitions by the States of this property, about \$600,000, as contrasted with the major needs for training and operational purposes. While donated property represents acquisition cost of \$600,000 on a nationwide basis for reserve stock purpose, \$21.7 million in acquisition costs went for training and \$25.7 million for operational readiness. These latter two figures represent property presently in the community and available for civil defense training activities or in the event an emergency develops.

In accordance with your request, I enclose 10 copies of the OCDM publication, "The Family Fallout Shelter." Additional copies are, of course, available.

Please advise if we can be of further assistance.

Sincerely,

LEWIS E. BERRY,
Assistant Director for Plans and Operations.

X

LEGISLATIVE HISTORY

Public Law 86-570
S. 1018

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INDEX AND SUMMARY OF S. 1018

- Feb. 9, 1959 Sen. Stennis introduced and discussed S. 1018 which was referred to the Senate Government Operations Committee. Print of bill as introduced and remarks of Sen. Stennis.
- Aug. 25, 1959 Senate committee voted to report (but did not actually report) S. 1018.
- Aug. 27, 1959 Senate committee reported S. 1018 with amendment. S. Report No. 826. Print of bill and report.
- Sep. 9, 1959 Senate passed S. 1018 as reported.
- Sep. 11, 1959 S. 1018 was referred to the House Government Operations Committee. Print of bill as referred.
- Jan. 13, 1960 Rep. Sikes introduced H. R. 9600 which was referred to the House Government Operations Committee. Print of bill as introduced.
- June 2, 1960 House subcommittee voted to report H. R. 9600 to the full committee.
- June 15, 1960 House committee reported H. R. 9600 without amendment. H. Report No. 1876. Print of bill and report.
- June 24, 1960 House passed S. 1018 without amendment (in lieu of H. R. 9600).
H. R. 9600 laid on table due to passage of S. 1018.
- July 5, 1960 Approved: Public Law 86-570.

DIGEST OF PUBLIC LAW 86-570

TRANSFER OF PROPERTY TO EXTENSION AGENCIES. Authorizes and directs the Postmaster General and the Administrator of General Services to transfer, without cost, to State and county agencies engaged in cooperative agricultural extension work, the office equipment, materials, books or other supplies which the Post Office Department or the General Services Administration have heretofore assigned for use to such State or county agencies.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 9, 1959

Mr. STENNIS introduced the following bill; which was read twice and referred to the Committee on Government Operations

A BILL

To authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 *That section 203 (j) of the Federal Property and Adminis-*
4 *trative Services Act of 1949 (40 U.S.C. 484 (j)) is amended*
5 *to read as follows:*

6 “(j) (1) Under such regulations as he may prescribe,
7 the Administrator is authorized in his discretion to donate
8 without cost (except for costs of care and handling) for
9 use in any State for any of the purposes specified herein-
10 after any equipment, material, books, or other supplies

1 (including those capitalized in a working capital or similar
2 fund) under the control of any executive agency which has
3 been determined to be surplus property and, in accordance
4 with the provisions of this subsection, to be usable and neces-
5 sary for such purpose. Donations under this subsection may
6 be made for purposes of—

- 7 “(A) education;
- 8 “(B) public health;
- 9 “(C) civil defense;
- 10 “(D) cooperative agricultural extension work; and
- 11 “(E) research for any such purpose.

12 “(2) In determining whether property is to be do-
13 nated under this subsection, no distinction shall be made
14 between property capitalized in a working-capital fund estab-
15 lished under section 405 of the National Security Act of
16 1947, as amended, or any similar fund, and any other prop-
17 erty. No such property shall be transferred for use within
18 any State except to the State agency designated under State
19 law for the purpose of distributing, in conformity with the
20 provisions of this subsection, all property allocated under this
21 subsection for use within such State.

22 “(3) In the case of surplus property under the con-
23 trol of the Department of Defense, the Secretary of Defense
24 shall determine whether such property is usable and neces-
25 sary for educational activities which are of special interest

1 to the armed services, such as maritime academies or mil-
2 itary, naval, Air Force, or Coast Guard preparatory schools.
3 If such Secretary shall determine that such property is us-
4 able and necessary for such purposes, he shall allocate it for
5 transfer by the Administrator to the appropriate State
6 agency for distribution to such educational activities. If
7 he shall determine that such property is not usable and nec-
8 essary for such purposes, it may be disposed of in accordance
9 with paragraph (4), (5), or (6) of this subsection.

10 " (4) Determination whether such surplus property
11 (except surplus property allocated in conformity with para-
12 graph (3) of this subsection) is usable and necessary for
13 purposes of education or public health, or for research for any
14 such purpose, in any State shall be made by the Secretary
15 of Health, Education, and Welfare, who shall allocate such
16 property on the basis of needs and utilization for transfer by
17 the Administrator to such State agency for distribution to
18 (A) tax-supported medical institutions, hospitals, clinics,
19 health centers, school systems, schools, colleges, and uni-
20 versities; and (B) other nonprofit medical institutions, hos-
21 pitals, clinics, health centers, schools, colleges, and universi-
22 ties which are exempt from taxation under section 501 (c)
23 (3) of the Internal Revenue Code of 1954. No such prop-
24 erty shall be transferred to any State agency until the Secre-
25 tary of Health, Education, and Welfare has received, from

1 such State agency, a certification that such property is usable
2 and needed for educational or public health purposes in the
3 State, and until the Secretary has determined that such State
4 agency has conformed to minimum standards of operation
5 prescribed by the Secretary for the disposal of surplus prop-
6 erty.

7 “(5) Determination whether such surplus property (ex-
8 cept surplus property allocated in conformity with paragraph
9 (3) of this subsection) is usable and necessary for civil
10 defense purposes, including research, in any State shall be
11 made by the Federal Civil Defense Administrator, who shall
12 allocate such property on the basis of need and utilization
13 for transfer by the Administrator of General Services to such
14 State agency for distribution to civil defense organizations
15 of such State, or political subdivisions and instrumentalities
16 thereof, which are established pursuant to State law. No
17 such property shall be transferred until the Federal Civil
18 Defense Administrator has received from such State agency
19 a certification that such property is usable and needed for
20 civil defense purposes in the State, and until the Federal
21 Civil Defense Administrator has determined that such State
22 agency has conformed to minimum standards of operation
23 prescribed by the Federal Civil Defense Administrator for
24 the disposal of surplus property. The provisions of sections
25 201 (b), 401 (c), 401 (e), and 405 of the Federal Civil

1 Defense Act of 1950, as amended, shall apply to the per-
2 formance by the Federal Civil Defense Administrator of
3 his responsibilities under this section.

4 “(6) Determination whether such surplus property is
5 usable and necessary for cooperative agricultural extension
6 work or research therefor in any State shall be made by the
7 Secretary of Agriculture, who shall allocate such property
8 on the basis of need and utilization for transfer by the Ad-
9 ministrator of General Services to such State agency for
10 distribution to agencies within such State which are engaged
11 in cooperative agricultural extension work conducted in ac-
12 cordance with the Act of May 8, 1914, as amended (7
13 U.S.C. 341–348). No such property shall be so trans-
14 fered until the Secretary of Agriculture has received from
15 such State agency a certification that such property is usable
16 and needed for such cooperative agricultural extension work
17 in the State, and until the Secretary of Agriculture has de-
18 termined that such State agency has conformed to minimum
19 standards of operation prescribed by the Secretary of Agri-
20 culture for the disposal of surplus property under this sub-
21 section.

22 “(7) The Secretary of Health, Education, and Welfare,
23 the Federal Civil Defense Administrator, and the Secretary
24 of Agriculture may impose reasonable terms, conditions, res-
25 ervations, and restrictions upon the use of any single item of

1 personal property donated under paragraph (4), paragraph
2 (5), or paragraph (6), respectively, of this subsection which
3 has an acquisition cost of \$2,500 or more.

4 "(8) The term "State", as used in this subsection, in-
5 cludes the District of Columbia, the Commonwealth of Puerto
6 Rico, and the Territories and possessions of the United
7 States."

8 SEC. 2. (a) Notwithstanding any provision of the Fed-
9 eral Property and Administrative Services Act of 1949, any
10 equipment, materials, books, or other supplies (whether or
11 not capitalized in a working-capital or similar fund) of the
12 Post Office Department or the General Services Administra-
13 tion which are excess property and the custody of which has
14 been transferred heretofore to any State or county agency
15 engaged in cooperative agricultural extension work pursuant
16 to the Act of May 8, 1914, as amended (7 U.S.C. 341-
17 348), for the use of such agency, may be donated to such
18 agency without cost by the Postmaster General or the Ad-
19 ministrator of General Services, respectively.

20 (b) As used in this section, the term "excess property"
21 shall have the meaning given thereto by section 3 (e) of the
22 Federal Property and Administrative Services Act of 1949
23 (40 U.S.C. 472).

A BILL

To authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work, and for other purposes.

By Mr. STENNIS

FEbruary 9, 1959

Read twice and referred to the Committee on
Government Operations

of any one institution. In addition, the bill authorizes the establishment, in acts appropriating funds for the program for any fiscal year, of a ceiling upon the amount of new commitments which may be undertaken in each year.

Subsection (b) limits the Federal assistance to construction which will substantially increase (or prevent a substantial decrease in) the student enrollment capacity of the institution. However, in view of the national interest in the improvement, as well as the expansion, of science and engineering teaching and research in institutions of higher education, the Federal payments will be available for construction of facilities for these purposes, whether or not a substantial increase in enrollment capacity will result.

This subsection would also limit the Federal payments to institutions which certify that they do not have cash or other resources which they could use to finance all or any portion of the construction in lieu of borrowing on a long-term, level debt service, basis.

Section 4. Definitions: With the exceptions noted below, these definitions are the same as the definitions of similar terms in the college housing title (title IV) of the Housing Act of 1950, with the result that the draft bill would apply (with these exceptions) to the same types of institutions, the same types of facilities, and the same types of construction costs, as those covered by the existing college housing program.

The first exception is in clause (1) of subsection (b), which defines "educational institution" to mean a public or nonprofit institution which admits as regular students only persons who have graduated from high school or had an equivalent education, and which offers courses of instruction of at least 2 years' duration. The corresponding clause under the college housing programs is more restrictive, requiring that the institution offer courses of instruction which are creditable toward a baccalaureate degree. The broader definition in the draft bill will permit participation in the program of certain 2-year technical institutes and similar institutions which offer only 2-year courses not creditable toward academic degrees but which are essential to the national interest in meeting the Nation's need for trained technicians. In all other respects the definition of "educational institution" is the same as that used under the college housing program.

The second exception is the addition of a new definition of "academic facilities," so as to include within the purview of the bill (in addition to the housing and certain other educational facilities covered by the existing college housing program) classrooms, laboratories, libraries, and related facilities for instruction, research, or administration of the institution's educational and research programs. Facilities such as athletic stadiums, field houses, and buildings serving purposes other than instruction, research, and administration would be excluded.

Also, this section contains a new definition of the term "bonds," to include notes, interim certificates, certificates of indebtedness, debentures, and other evidences of indebtedness.

Section 5. Administration: This section authorizes the Commissioner to delegate his authority to subordinates and provides for performance of certain fiscal, engineering, and architectural services by the Housing and Home Finance Agency. In addition, this section would preclude the Commissioner from making any Debt Retirement Assistance Commitment with respect to bonds to finance the construction of any facilities except upon assurance that labor standards, relating to payment of prevailing wages and overtime pay for work in excess of 40 hours per week or 8 hours per day, would be ob-

served in such construction. The section also authorizes appropriations to carry out the bill.

AVAILABILITY OF SURPLUS PROPERTY TO STATE AND COUNTY EXTENSION SERVICES

Mr. STENNIS. Mr. President, I introduce, for appropriate reference, a bill to authorize the Cooperative Extension Service to receive surplus Federal property. The State and county extension services are actually a basic part of our agricultural program. They are financed jointly by the Federal Government on a 50-50 basis with State and local governments.

Present law does not permit the State and county extension services to receive surplus Government property directly. Under certain circumstances, they can obtain a limited amount of surplus property, provided they can meet qualifications established by the Department of Health, Education, and Welfare, and provided property is still available after normal distribution. In many States this procedure has been inadequate. It is my understanding that existing procedures, and rightly so, require that excess property be first offered to Federal agencies. After a list has been circulated among Federal agencies, remaining surplus property is then offered to educational, public health, and civil defense agencies at State level. If it cannot be utilized by these agencies, it is then cataloged and offered at public sale, bringing a price which is usually a fraction of the purchasing cost.

The bill which I have introduced would place the Cooperative Extension Service on the same basis as HEW, Civil Defense, and other agencies now receiving surplus property. The Secretary of Agriculture would be required to issue regulations and determine the type of property which would be usable and necessary for extension work, and such property would be allocated on the basis of need. Under this procedure, the State and county extension services would request, through the authorized State agency, office equipment and other items needed for carrying out their educational programs.

The major items which are needed and which would be made available under this bill would include office equipment, such as desks, chairs, tables, file cabinets, duplicating machines, adding machines, and so forth; demonstration materials, such as photograph equipment; and teaching aids and other surplus items adaptable to extension work.

Mr. President, this bill would provide a means whereby the cooperating States could carry out work authorized by the Congress, utilizing facilities of General Services Administration in meeting a part of their property needs. It would make possible the obtaining of property which has become surplus to the needs of other Federal agencies.

Extending this authority to other than Federal agencies is not setting a new precedent. State foresters, employed in cooperation with the Forest Service of the Department of Agriculture, are per-

mitted to utilize GSA facilities in conducting cooperative work. Likewise, agreements have been made for soil-conservation districts, working with the Soil Conservation Service of the Department, to obtain and procure needs through GSA. The effect of this bill would be to extend to the Extension Service somewhat the same authority that will enable this important educational agency to obtain surplus property which they critically need and at a possible saving to the Federal Government.

This bill is also designed to solve another pressing problem confronting the Extension Service. At the present time, county extension services occupy Federal space controlled by the Post Office Department or General Services Administration in over 500 county locations. The furnishings included in these offices consist of desks, chairs, tables, and supply and file cabinets owned by the Post Office Department or GSA. It is my understanding that a move is underway to have this property returned to the Post Office Department or GSA. If this policy is adopted, the Extension Service would then be forced to purchase replacement property. To correct this situation, my bill would authorize the Post Office Department and General Services Administration to transfer this property to State or county extension services without cost.

Mr. President, our State and county extension service program is an outstanding example of Federal and State cooperation. This agency is making a lasting contribution to agriculture. They can utilize to a great advantage surplus office equipment and other property, and they should be authorized to receive surplus items which they critically need. The bill which I have introduced provides a sound approach for making the best possible use of surplus property, and I hope that our Agriculture Committee will give full consideration to this bill at the earliest possible date.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1018) to authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work, and for other purposes, introduced by Mr. STENNIS, was received, read twice by its title, and referred to the Committee on Government Operations.

LOANS FOR FUR FARMERS

Mr. PROXMIRE. Mr. President, on my own behalf, and for Senators YOUNG of Ohio, MOSS, HUMPHREY, MAGNUSON, WILEY, McCARTHY, JAVITS, NEUBERGER, and HART, I introduce, for appropriate reference, a bill to extend the Farmers Home Administration operating loan program to bona fide fur farmers.

I have a brief statement describing this bill for which I ask unanimous consent to have printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately re-

ferred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 1019) to extend the Farmers Home Administration operating loan program to bona fide fur farmers, and for other purposes, introduced by Mr. PROXMIRE (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The statement presented by Mr. PROXMIRE is as follows:

STATEMENT BY SENATOR PROXMIRE

This bill would extend the same privileges to fur farmers as are enjoyed at present by other family-sized farm operators in respect to operating loans from the Farmers Home Administration. At present, fur farm operators are denied access to this type of farm credit.

The bill would amend section 21(a) of the Bankhead-Jones Farm Tenant Act, as amended, to include fur farmers. It would authorize loans to family-sized fur farmers such as are now available to other farmers for the purpose of purchasing livestock, seed, feed, fertilizer, equipment, supplies, and other farm needs, to reorganize the farming operations to permit more diversified or more profitable operations, to refinance existing indebtedness, and for family subsistence.

Loans would be at an interest rate of 5 percent, for a period of 7 years from the date of the initial loan. A maximum of indebtedness of \$10,000 per farm operator would be permitted, except that 10 percent of the total funds available for such loans could be used for larger total amounts up to \$20,000.

Fur production is an important agricultural enterprise in several States. Mink are the major fur crop at present.

Following is a list of the 12 top mink-producing States, with the number of kits produced in each in 1957:

Wisconsin	1,580,000
Minnesota	372,000
Michigan	270,000
Utah	245,000
Oregon	237,000
Illinois	235,000
Washington	228,000
New York	199,000
Iowa	161,000
Pennsylvania	156,000
Ohio	131,000
Massachusetts	130,000

The National Board of Fur Farm Organizations, at its annual meeting in Boston, Mass., August 20-22, 1958, endorsed this bill. Following are the comments published in its proceedings on the matter of farm loans for fur producers:

FEDERAL LOANS FOR FARMERS

The U.S. Department of Agriculture in its administration of a farm loan law has excluded fur farmers from the classification of family-type farms. During the 2d session of the 85th Congress certain Senators requested an opinion from the national board as to whether or not, in the interests of its members, it was desirable to amend the Federal farm loan law to specifically provide that fur farmers fall within the definition of a family-type farm.

This question was discussed by the executive committee at which time it was determined the subject would be presented for action to the directors at the 15th annual meeting of this association.

After lengthy discussion and after all aspects of the question had been explored the board of directors passed a resolution which reads as follows:

"Be it resolved, that the executive committee of the National Board of Fur Farm Organizations, Inc., seek proper legislation

or Federal regulation which will permit fur farmers to qualify for loans under the Farm Home Loan Administration."

AMENDMENT OF FEDERAL COAL MINE SAFETY ACT—ADDITIONAL COSPONSOR OF BILL

Mr. CLARK. Mr. President, I ask unanimous consent that the name of the senior Senator from Wyoming [Mr. O'MAHONEY] may be added as an additional cosponsor of the bill (S. 743) to amend the Federal Coal Mine Safety Act in order to remove the exemption with respect to certain mines employing no more than 14 individuals, introduced by me on January 28, 1959, the next time the bill is printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

EFFECT OF WITHDRAWALS OR RESERVATION OF PUBLIC LANDS ON CERTAIN WATER RIGHTS—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of February 2, 1959, the names of Senators MOSS, CHAVEZ, HRUSKA, CANNON, YOUNG of North Dakota, BARTLETT, and CASE of South Dakota were added as additional cosponsors of the bill (S. 851) to provide that withdrawals or reservation of public lands shall not affect certain water rights, introduced by Mr. O'MAHONEY (for himself and other Senators) on February 2, 1959.

COMMISSION ON EQUAL JOB OPPORTUNITY UNDER GOVERNMENT CONTRACTS—ADDITIONAL CO-SPONSORS OF BILL

Under authority of the order of the Senate of February 5, 1959, the names of Senators JAVITS, CAPEHART, SCOTT, KEATING, CURTIS, and ALLOTT were added as additional cosponsors of the bill (S. 942) to establish a Commission on Equal Job Opportunity Under Government Contracts, introduced by Mr. GOLDWATER (for himself and Mr. CASE of New Jersey) on February 5, 1959.

CHANGE OF REFERENCE

Mr. YOUNG of North Dakota. Mr. President, on January 8th the senior Senator from North Dakota [Mr. LANGER] and I introduced Senate bill 147, a bill having to do with the modification and reauthorization of the Garrison diversion irrigation project. The bill was referred to the Committee on Public Works. In checking, I find it really belongs to the Committee on Interior and Insular Affairs, since it is wholly a reclamation project.

I have discussed this matter with the distinguished senior Senator from New Mexico [Mr. CHAVEZ] and the distinguished senior Senator from Oklahoma [Mr. KERR], who is chairman of the subcommittee handling this type of legislation. They agree it should be referred to the Committee on Interior and Insular Affairs.

I ask unanimous consent that the bill be so referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. MORSE:

Statement entitled "Youth Conservation Act of 1959," prepared by him, together with editorial "A New COC?" published in the Medford (Oreg.) Mail Tribune of January 14, 1959.

By Mr. BRIDGES:

Address on the subject of need for a two-party system of government, delivered by Eugene C. Fullam, publisher, Indianapolis Star and News and Phoenix Republic and Gazette, delivered before meeting of the California-Nevada Associated Press on February 5, 1959.

Article entitled "Think It Through," dealing with national spending and national income, written by E. F. Hutton and published in the New York Herald Tribune of January 31, 1959.

Article relating to Russian propaganda in sports, written by Joe Barnea, and published in the Manchester (N.H.) Union Leader of February 4, 1959.

Letter by Maj. Gen. Julius Klein, retired, entitled "SYMINGTON's Failure," published in the Washington Evening Star of February 5, 1959.

By Mr. DIRKSEN:

Editorial entitled "Now or Never," dealing with the fiscal situation of the Federal Government, published in the Washington Star of February 8, 1959.

By Mr. SCHOEPPEL:

Editorial entitled "The Vicious Circle of Inflation," published in the Kansas City Daily Drovers Telegram of January 29, 1959.

Editorial entitled "The Spenders Can Be Stopped," published in the Kansas City Daily Drovers Telegram of December 24, 1958.

By Mr. MORTON:

Editorial entitled "Mr. Summerfield Delivers," published in the Youngstown (Ohio) Vindicator of January 31, 1959.

By Mr. HAYDEN:

Article entitled "The Arizona Watershed Program," written by Kel M. Fox, secretary-treasurer, Arizona Water Resources Committee, and published in American Forests of December 1958.

By Mr. PROXMIRE:

Article entitled "The Senate's Mr. Scholarship," relating to Senator FULBRIGHT, published in the Milwaukee Journal of February 6, 1959.

By Mr. MANSFIELD:

Article entitled "Interview With Senator GREEN—An Elder Statesman at 91 Looks at the World Today," published in the February 13, 1959, issue of U.S. News & World Report.

By Mr. YARBOROUGH:

Article entitled "Professional Parole Officers Serve Offenders at Less Expense to State," written by Milton Turner and published in the Beaumont Enterprise of February 2, 1959.

By Mr. KEFAUVER:

Article entitled "Inflation Besetting Us Is of a New Breed," written by Bernard D. Nosister, and editorial entitled "Those Administered Prices," published in the Washington Post and Times Herald of February 8, 1959; which will appear hereafter in the Appendix.

By Mr. McCARTHY:

Article entitled "Now the Challenge of an Economic Sputnik," written by Barbara Ward

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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Aug. 25, 1959
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HIGHLIGHTS: Senate committee reported amendments to Public Law 480 bill. House committee reported housing bill. House subcommittee voted to report bill to require marketing quotas for rice.

SENATE

1. FOREIGN TRADE; SURPLUS COMMODITIES. The Agriculture and Forestry Committee reported amendments to S. 1748, to extend Public Law 480 (p. 15478). The "Daily Digest" states that the committee amendments include a 3-year extension of the law (p. D821). Sen. Johnston expressed his support for an amendment proposed by Sen. Butler "to provide that shipments of surplus agricultural commodities destined to foreign countries exported under the Public Law 480 program, must be delivered directly to the export vessel at a U. S. port." Several Senators expressed opposition to the proposed amendment, (pp. 15536-8).

2. SILK IMPORTS. The Finance Committee reported without amendment H. R. 2386, to suspend for 3 years, beginning 60 days from date of enactment, the import duties on certain classification of spun silk yarn (S. Rept. 811). p. 15474
3. CREDIT UNIONS. The Banking and Currency Committee reported with amendments H. R. 8305, to make various amendments to the Federal Credit Union Act (S. Rept. 814). p. 15474
4. PERSONNEL. The Post Office and Civil Service Committee voted to report (but did not actually report) the following bills: H. R. 5752, to grant Federal employees legal holidays on Friday for holidays occurring on Saturday; and H. R. 6059, to provide additional civilian positions for the Department of Defense for scientific research and development, with an amendment to include the text of S. 2461, to amend the Federal Employees Group Life Insurance Act of 1954 to eliminate the provision reducing the amount of insurance after age 65. p. D822
- The Post Office and Civil Service Committee voted, 6 to 3, to postpone action until next year on S. 1638, to establish an Office of Personnel Management and revise the functions of the Civil Service Commission. p D822
5. PROPERTY. The Government Operations Committee voted to report (but did not actually report) the following: S. J. Res. 121, without amendment, to permit certain property conveyed by this Department to the La. State University and Agricultural and Mechanical College to be used for general educational purposes; S. 155, with amendment, to permit the donation of Government surplus property to libraries which are tax-supported or publicly owned and operated; S. 1018, with amendment, to authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work; and S. 910, with amendment, to authorize the payment to local governments of sums in lieu of taxes and special assessments on Federal property (the "Daily Digest" states that prior to approval of this bill the committee rejected a motion by Sen. Mundt to substitute the language of his bill, S. 1417, to establish a temporary Commission on Federal Contributions to State and Local Governments). p. D821
6. PUBLIC LANDS; WILDLIFE. Passed without amendment H. R. 2725, to prohibit the use of aircraft or motor vehicles to hunt wild horses or burros on Federal lands. This bill will now be sent to the President. pp. 15493-7
7. BUILDINGS. Passed with amendment H. R. 7645, to grant GSA additional authority for the construction, alteration, and acquisition of Federal buildings. Senate conferees were appointed. A similar bill, S. 1654, was indefinitely postponed. pp. 15528-33
8. FOREIGN TRADE. Passed with amendment H. R. 2411, to provide for the free importation of tourist literature after agreeing to an amendment by Sen. Yarborough to delete a section which would have increased the import duty on wood moldings. pp. 15514-23, 15526
9. CLAIMS; CIVIL DEFENSE. Received from the President supplemental appropriation estimates to pay claims for damages and judgments against the U. S. (S. Doc. 48), and for "salaries and expenses" of the Office of Civil and Defense Mobilization (S. Doc. 49). p. 15474

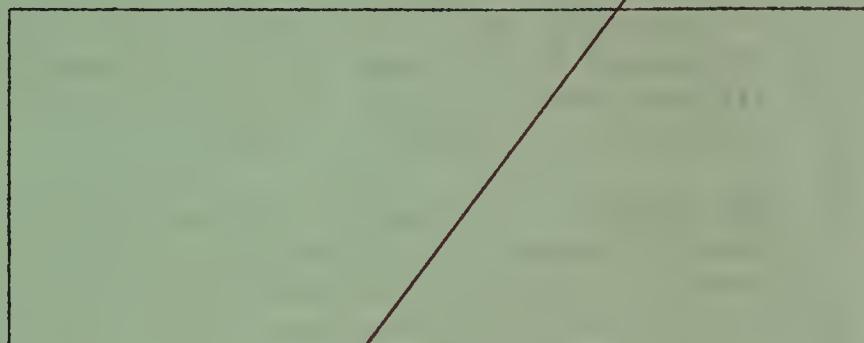
Digest of CONGRESSIONAL PROCEEDINGS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE
(For Department
Staff Only)

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HIGHLIGHTS: House committee reported bill to provide payments on lightweight hogs. House committee reported bill to require marketing quotas for rice. House passed bill.

SENATE

1. SILK IMPORTS. Passed without amendment H. R. 2886, to suspend for 3 years, beginning 60 days from date of enactment, the import duties on certain classifications of spun silk yarn. This bill will now be sent to the President. p. 15759
2. PROPERTY. The Government Operations Committee reported without amendment S. J. Res. 121, to permit certain property conveyed by this Department to the La. State University and Agricultural and Mechanical College to be used for general educational purposes (S. Rept. 825). p. 15694

The Government Operations Committee reported with amendment S. 1018, to authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work (S. Rept. 826). p. 15695

3. PERSONNEL. The Post Office and Civil Service Committee reported without amendment H. R. 5752, to grant Federal employees legal holidays on Friday for holidays occurring on Saturday (S. Rept. 830). p. 15695

Received from GSA a proposed bill "to include certain officers and employees of the General Services Administration within the provisions of the United States Code relating to assaults upon, and homicides of, certain officers and employees of the United States as constituting a crime"; to Judiciary Committee. p. 15694

4. RECLAMATION. Subcommittees of the Interior and Insular Affairs Committee voted to report the following bills: H. R. 839, to approve certain adjusting, deferring, and cancelling of irrigation charges against non-Indian owned lands near the Wapato Indian irrigation project, Wash.; S. 1892, to authorize construction of the Norman Federal reclamation project, Okla.; and H. R. 1778, with amendment, to amend Sec. 17(b) of the Reclamation Act of 1939 to defer payment of certain construction costs by water users. p. D836

5. FORESTRY. Sen. Murray inserted the 1958 report of the Interior and Insular Affairs Committee recommending that the Forest Service "undertake the direction of a consolidated and integrated forestry program embracing all commercial timberlands now under Federal jurisdiction," and stated that, "It is extremely disappointing to me that in the last 3 years the executive branch has not exercised its responsibility to improve the efficiency and coordination of Federal timber sales activities." pp. 15706-7

6. WOOL. Sen. McGee referred to "the controversy now raging between the American Farm Bureau Federation and the National Lamb Feeders Association" concerning "the referendum under section 708 of the National Wool Act, which provides for a check-off system in raising funds to promote the sheep industry," and inserted a letter from the president of the National Wool Growers Assoc. opposing the check-off system, and two articles discussing the referendum. pp. 15709-10

7. ATOMIC ENERGY. Both Houses received from the President the second annual report covering U. S. participation in the International Atomic Energy Agency for 1958, including reference to conclusion of a relationship agreement with the Food and Agriculture Organization of the United Nations. pp. 15693, 15772

8. EDUCATION. Received from the Chairman, U. S. Advisory Commission on Educational Exchange, a letter transmitting, pursuant to law, a report of that Commission, for the period January 1 to June 30, 1959. p. 14694

9. FARM PROGRAM. Sen. Proxmire inserted the results of a poll in his State as it pertained to questions on spending and the Federal budget and stated that "both rural and urban respondents as well as Democratic and Republican oppose the fantastic cost of the Benson-administered farm program by supporting a reduction in the cost of the farm program." p. 15707-8

10. CIVIL DEFENSE. Sen. Young, Ohio, discussed the elimination of civil defense money from the independent offices appropriation bill, criticized the

Calendar No. 843

86TH CONGRESS
1st Session

SENATE

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REPORT
No. 826

AUTHORIZING THE DONATION OF SURPLUS PROPERTY TO CERTAIN AGENCIES ENGAGED IN COOPERATIVE AGRICULTURAL EXTENSION WORK, AND FOR OTHER PURPOSES

AUGUST 27 (legislative day, AUGUST 26), 1959.—Ordered to be printed

Mr. GRUENING, from the Committee on Government Operations, submitted the following

R E P O R T

[To accompany S. 1018]

The Committee on Government Operations, to whom was referred the bill, S. 1018, to authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work, and for other purposes, having considered the same, report favorably thereon, with an amendment, and recommend that the bill, as amended, do pass.

The amendment is in the nature of a substitute.

PURPOSE

The purpose of the proposed substitute legislation is to transfer to various State and county agencies engaged in cooperative agricultural extension work pursuant to the act of May 8, 1914, as amended (7 U.S.C. 341-348), the title to certain federally owned personal property presently on loan to such agencies.

STATEMENT

As introduced, section 1 of S. 1018 would have amended section 203(j) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)) so as to authorize the donation to State agencies engaged in cooperative agricultural extension work conducted in accordance with the act of May 8, 1914, as amended, of surplus equipment, material, books, or other supplies. After consideration of such proposal, the committee is of the opinion that the authority proposed in S. 1018 is unnecessary, and that the objectives of the proposed legislation can be attained by the committee amendment.

2 PROPERTY FOR COOPERATIVE AGRICULTURAL EXTENSION WORK

A special subcommittee has explored the question of the status of State and county agricultural extension services as eligible donees of surplus personal property under present law. Following hearings on S. 1018 and conferences with the Department of Agriculture, the Department of Health, Education, and Welfare, and the General Services Administration by a special subcommittee, it was developed that the State and county extension services, with which the problem sought to be alleviated by S. 1018 originates, are, by law, components of the State agricultural colleges. As such, they are eligible to receive donations of Federal surplus personal property through the colleges in the same manner as any other departments or activities of the colleges. Difficulties encountered by the agricultural extension services in obtaining available surplus personal property are apparently administrative, and not readily amenable to legislative correction. Representatives of the Department of Agriculture and the Department of Health, Education, and Welfare, have, however, assured the committee that affirmative action will be taken to eliminate these difficulties, to the extent that they may be traceable to a lack of full understanding of the donation program either on the part of their field representatives, the State agencies for surplus property, or on the part of the colleges themselves.

Section 2 of S. 1018, as introduced, would have authorized the donation by the Postmaster General or the Administrator of General Services to State or county agencies engaged in cooperative agricultural extension work pursuant to the aforesaid act of May 8, 1914, as amended, of any excess equipment, materials, books, or other supplies, the custody of which have been heretofore transferred to any such agency. Thus, this provision would apply only to property technically defined as excess under section 3(e) of the Federal Property and Administrative Services Act of 1949. However, it is the understanding of the committee that actually the property which section 2 proposes for donation is not excess property. Therefore, in the view of the committee, the proposal embodied in section 2, if enacted, would fail of achieving the end desired.

The committee further found that it would be desirable and in the public interest for the property which is presently on loan to and in the custody of the cooperative agricultural extension agencies to be transferred to such agencies without reimbursement. It is the understanding of the committee that the property is of limited potential value and use to the Federal Government, but could be utilized by the extension agencies to good effect. Furthermore, the committee is not aware of any objection to the transfer on the part of any Federal agency. The bill, as amended, would provide for the transfer of such property (not limited to excess) to the extension agencies on a "one-shot" basis, and, in the interest of accurate description, has been restricted to office equipment (as distinguished from equipment generally as provided in section 2 of S. 1018 as introduced) as well as to materials, books, and other supplies.

As noted above, S. 1018, as amended, would apply only to property heretofore placed in the custody of the State or county agencies engaged in cooperative agricultural extension work. It would not provide any authority for future transfers of property to such agencies. The committee has noted the suggestion which has been made that excess Federal property could be made available to these agricultural

PROPERTY FOR COOPERATIVE AGRICULTURAL EXTENSION WORK 3

extension agencies, were the act of May 8, 1914, further amended in such a way as to establish such agencies as an integral part of the Department of Agriculture for administrative purposes, but took the view that this should be done by the appropriate jurisdictional committees. The committee believes that this suggestion would not only make possible the transfer of excess property from other Federal agencies to the Department of Agriculture for use by such State and county extension service agencies but would, in addition, further clarify their status with respect to their eligibility for Federal procurement and general supply support. It should be pointed out, however, that once such change in status of the agricultural extension agencies is effected by legislation, they would lose all eligibility to receive donations of Federal surplus property under section 203(j) of the Federal Property and Administrative Services Act of 1949.

As noted heretofore, the committee understands that the property which would be transferred without reimbursement by the terms of the substitute bill is of limited value. The expense to the Government to result from enactment of this bill would therefore be nominal.

The committee has also taken other action on a bill, S. 155, which proposes to amend clause (A) and clause (B) of paragraph (3) of section 203(j) of the Federal Property and Administrative Services Act of 1949, by clarifying the intent of the act to apply to surplus property whenever generated for "other educational institutions." In the view of the committee the approval of this proposed legislation would clear up any existing doubts as to the authority of the Department of Health, Education, and Welfare and the appropriate State agencies to amend the existing regulations so as to enable cooperative agricultural extension agencies to qualify as recipients of property declared surplus and made available under the donable program as educational institutions, since they now operate through, or as subsidiary units of, colleges and universities.



Calendar No. 843

86TH CONGRESS
1ST SESSION

S. 1018

[Report No. 826]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 9, 1959

Mr. STENNIS (for himself and Mr. AIKEN) introduced the following bill; which was read twice and referred to the Committee on Government Operations

AUGUST 27 (legislative day, AUGUST 26), 1959

Reported by Mr. GRUENING, with amendments

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 *That section 203(j) of the Federal Property and Adminis-*
4 *trative Services Act of 1949 (40 U.S.C. 484(j)) is amended*
5 *to read as follows:*

6 “~~(j)~~ (1) Under such regulations as he may prescribe,
7 the Administrator is authorized in his discretion to donate
8 without cost (except for costs of care and handling) for
9 use in any State for any of the purposes specified herein-

1 after any equipment, material, books, or other supplies
2 (including those capitalized in a working capital or similar
3 fund) under the control of any executive agency, which has
4 been determined to be surplus property and, in accordance
5 with the provisions of this subsection, to be usable and nee-
6 sary for such purpose. Donations under this subsection may
7 be made for purposes of—

- 8 “(A) education;
9 “(B) public health;
10 “(C) civil defense;
11 “(D) cooperative agricultural extension works; and
12 “(E) research for any such purpose.

13 “(2) In determining whether property is to be do-
14 nated under this subsection, no distinction shall be made
15 between property capitalized in a working capital fund estab-
16 lished under section 405 of the National Security Act of
17 1947, as amended, or any similar fund, and any other prop-
18 erty. No such property shall be transferred for use within
19 any State except to the State agency designated under State
20 law for the purpose of distributing, in conformity with the
21 provisions of this subsection, all property allocated under this
22 subsection for use within such State.

23 “(3) In the case of surplus property under the con-
24 trol of the Department of Defense, the Secretary of Defense
25 shall determine whether such property is usable and nee-

1 sary for educational activities which are of special interest
2 to the armed services, such as maritime academies or mil-
3 itary, naval, Air Force, or Coast Guard preparatory schools.
4 If such Secretary shall determine that such property is us-
5 able and necessary for such purposes, he shall allocate it for
6 transfer by the Administrator to the appropriate State
7 agency for distribution to such educational activities. If
8 he shall determine that such property is not usable and neces-
9 sary for such purposes, it may be disposed of in accordance
10 with paragraph (4), (5), or (6) of this subsection.

11 “(4) Determination whether such surplus property
12 (except surplus property allocated in conformity with para-
13 graph (3) of this subsection) is usable and necessary for
14 purposes of education or public health, or for research for any
15 such purpose, in any State shall be made by the Secretary
16 of Health, Education, and Welfare, who shall allocate such
17 property on the basis of needs and utilization for transfer by
18 the Administrator to such State agency for distribution to
19 (A) tax-supported medical institutions, hospitals, clinics,
20 health centers, school systems, schools, colleges, and uni-
21 versities, and (B) other nonprofit medical institutions, hos-
22 pitals, clinics, health centers, schools, colleges, and universi-
23 ties which are exempt from taxation under section 501(e)
24 (3) of the Internal Revenue Code of 1954. No such prop-
25 erty shall be transferred to any State agency until the Secre-

1 tary of Health, Education, and Welfare has received, from
2 such State agency, a certification that such property is usable
3 and needed for educational or public health purposes in the
4 State, and until the Secretary has determined that such State
5 agency has conformed to minimum standards of operation
6 prescribed by the Secretary of the disposal of surplus prop-
7 erty.

8 “(5) Determination whether such surplus property (ex-
9 cept surplus property allocated in conformity with paragraph
10 (3) of this subsection) is usable and necessary for civil
11 defense purposes, including research, in any State shall be
12 made by the Federal Civil Defense Administrator, who shall
13 allocate such property on the basis of need and utilization
14 for transfer by the Administrator of General Services to such
15 State agency for distribution to civil defense organizations
16 of such State, or political subdivisions and instrumentalities
17 thereof which are established pursuant to State law. No
18 such property shall be transferred until the Federal Civil
19 Defense Administrator has received from such State agency
20 a certification that such property is usable and needed for
21 civil defense purposes in the State, and until the Federal
22 Civil Defense Administrator has determined that such State
23 agency has conformed to minimum standards of operation
24 prescribed by the Federal Civil Defense Administrator for
25 the disposal of surplus property. The provisions of sections

1 201(b), 401(e), 401(e), and 405 of the Federal Civil
2 Defense Act of 1950, as amended, shall apply to the per-
3 formance by the Federal Civil Defense Administrator of
4 his responsibilities under this section.

5 "(6) Determination whether such surplus property is
6 usable and necessary for cooperative agricultural extension
7 work or research therefor in any State shall be made by the
8 Secretary of Agriculture, who shall allocate such property
9 on the basis of need and utilization for transfer by the Ad-
10 ministrator of General Services to such State agency for
11 distribution to agencies within such State which are engaged
12 in cooperative agricultural extension work conducted in ac-
13 cordance with the Act of May 8, 1914, as amended (7
14 U.S.C. 341-348). No such property shall be so trans-
15 ferred until the Secretary of Agriculture has received from
16 such State agency a certification that such property is usable
17 and needed for such cooperative agricultural extension work
18 in the State, and until the Secretary of Agriculture has de-
19 termined that such State agency has conformed to minimum
20 standards of operation prescribed by the Secretary of Agri-
21 culture for the disposal of surplus property under this sub-
22 section.

23 "(7) The Secretary of Health, Education, and Welfare,
24 the Federal Civil Defense Administrator, and the Secretary
25 of Agriculture may impose reasonable terms, conditions, res-

1 ervations, and restrictions upon the use of any single item of
2 personal property donated under paragraph (4), paragraph
3 (5), or paragraph (6), respectively, of this subsection which
4 has an acquisition cost of \$2,500 or more.

5 “(8) The term “State”, as used in this subsection, in-
6 cludes the District of Columbia, the Commonwealth of Puerto
7 Rico, and the Territories and possessions of the United
8 States.”

9 SEC. 2. (a) Notwithstanding any provision of the Fed-
10 eral Property and Administrative Services Act of 1949, any
11 equipment, materials, books, or other supplies (whether or
12 not capitalized in a working capital or similar fund) of the
13 Post Office Department or the General Services Administra-
14 tion which are excess property and the custody of which has
15 been transferred heretofore to any State or county agency
16 engaged in cooperative agricultural extension work pursuant
17 to the Act of May 8, 1914, as amended (7 U.S.C. 341-
18 348) for the use of such agency, may be donated to such
19 agency without cost by the Postmaster General or the Ad-
20 ministrator of General Services, respectively.

21 (b) As used in this section, the term “excess property”
22 shall have the meaning given thereto by section 3(e) of the
23 Federal Property and Administrative Services Act of 1949
24 (40 U.S.C. 472).

25 That, notwithstanding any provision of the Federal Property

1 and Administrative Services Act of 1949, as amended, or any
2 other law, the Postmaster General and the Administrator of
3 General Services are hereby authorized and directed to trans-
4 fer, as soon as practicable after date of enactment hereof,
5 without cost, to any State or county agency engaged in co-
6 operative agricultural extension work pursuant to the Act
7 of May 8, 1914, as amended (7 U.S.C. 341-348), for the
8 use of such agency, all right, title, and interest in and to any
9 office equipment, materials, books, or other supplies (whether
10 or not capitalized in a working capital fund established
11 under section 405 of the National Security Act of 1947, as
12 amended, or any similar fund) which have heretofore been
13 assigned for use to any such State or county agency by the
14 Post Office Department or the General Services Administra-
15 tion, respectively.

Amend the title so as to read: "A bill to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work."

86TH CONGRESS
1ST SESSION

S. 1018

[Report No. 826]

A BILL

To authorize the donation of surplus property
to certain agencies engaged in cooperative
agricultural extension work, and for other
purposes.

By Mr. STENNIS and Mr. AIKEN

FEBRUARY 9, 1959

Read twice and referred to the Committee on
Government Operations

AUGUST 27 (legislative day, AUGUST 26), 1959
Reported with amendments

Sept. 9, 1954

26. FEDERAL INSIGNIA. Concurred in the House amendment to S. 355, to amend title 18 of the U. S. Code so as to prohibit the misuse by collecting agencies or private detective agencies of names, emblems, and insignia to indicate a Federal agency. This bill will now be sent to the President. p. 17225
27. PROPERTY. Passed without amendment H. R. 6669, to amend the act of July 14, 1945, so as to provide that the La. State University and Agricultural and Mechanical College may use certain real property heretofore conveyed to it by the U. S. for general educational purposes. This bill will now be sent to the President. pp. 17197-8
- Passed as reported S. 1018, to direct the Postmaster General and the Administrator of GSA to transfer certain personal property to State and county agencies engaged in cooperative agricultural extension work. p. 17198
- Passed over, at the request of Sen. Keating, S. 155, to permit donations of surplus property to libraries which are tax supported or publicly owned and operated. p. 17200
28. SMALL BUSINESS. Passed over, at the request of Sen. Keating, H. R. 8599, to amend the Small Business Act so as to increase the revolving fund of the Small Business Administration from \$900,000,000 to \$1,100,000,000. p. 17200
29. ATOMIC ENERGY. Passed over, at the request of Sen. Engle, S. 2568, to amend the Atomic Energy Act of 1954 so as to provide for Federal cooperation with the States on atomic energy, including the development of radiation standards. p. 17207
30. CREDIT UNIONS. Passed as reported H. R. 8305, to make various amendments to the Federal Credit Union Act. pp. 17188-9
31. INFORMATION. The Interstate and Foreign Commerce Committee reported without amendment S. Con Res. 75, favoring active participation by Federal agencies in the Fifth International Congress of High-Speed Photography to be held in Washington, D. C., in 1960. p. 17154
32. SOIL; WATER CONSERVATION. Agreed to S. Res. 173, authorizing the printing as a Senate document of the report entitled, "Facility Needs--Soil and Water Conservation Research." p. 17197
33. LEGISLATIVE PROGRAM. Sen. Johnson announced that the calendar will be called today (Sept. 10), and that the following bills will be called up by motion: S. 2449, to extend the International Wheat Agreement Act of 1949; S. 2026, to establish an Advisory Commission on Intergovernmental Relations; and S. 2568, Federal-State cooperation on atomic energy. pp. 17171, 17261-2
- ITEMS IN APPENDIX
34. BUDGET; EXPENDITURES. Extension of remarks of Rep. Collier inserting a report by the Director of the Bureau of the Budget (which appeared in an issue of Reader's Digest) and stating that it is an "authoritative study of the effects of our living and spending far beyond our income and the hard inevitabilities we face as a consequence." pp. A7873-4
35. HOLIDAY. Extension of remarks of Rep. Grant inserting an editorial favoring legislation calling for a new legal public holiday every 2 years to be known as Election Day. p. A7878

36. FARM LABOR. Extension of remarks of Rep. Collier expressing concern over the "sad plight" of the migratory worker and urging "immediate" Congressional action. p. A7879
37. WEIGHTS AND MEASURES. Extension of remarks of Sen. Neuberger discussing his proposed bill which would direct the Commerce Dept. to conduct a study to determine the practicability and desirability of the adoption by the U. S. of the metric system of weights and measures, and inserting a letter and articles on this subject. pp. A7881-2
38. FARM PROGRAM. Rep. Dorn, N. Y., inserted an article, "View From the Farm." pp. A7888-9
Speech in the House by Rep. McGovern criticizing the administration's farm program, stating that "the farm problem is not a matter of concern only to rural people," and that according to the "'free market theory' ... farmers are overproducing because of Government price supports; overproduction depresses farm income; take away firm price supports and farmers will balance supply with demand so that all will be well." He stated that when this theory is applied to agriculture it leads to "economic disaster." pp. A7907-10
39. RECREATION. Extension of remarks of Sen. Johnson and Rep. Dingell inserting correspondence favoring the preservation of natural shoreline areas. pp. A7894-5, A7897
40. PERSONNEL. Rep. Rhodes inserted an article, "Council Seeks To Change Laws That Hamper Federal Employees." pp. A7897-8

BILLS INTRODUCED

41. COFFEE. S. 2667, by Sen. Fong (for himself and Sen. Long of Hawaii), to amend the Agricultural Act of 1949, as amended, in order to provide a price support program for coffee produced in the State of Hawaii; to Agriculture and Forestry Committee.
S. 2668, by Sen. Fong (for himself and Sen. Long of Hawaii), to provide a price support program for coffee produced in the State of Hawaii based upon a moving 5-year average of the prices received by the producers of such coffee to Agriculture and Forestry Committee.
42. RECREATION. S. 2664, by Sen. Bible (for himself and Sen. Cannon), and H. R. 9156, by Rep. Baring, to establish the Great Basin National Park, in Nevada; to S. and H. Interior and Insular Affairs Committees. Remarks of Sen. Bible. pp. 17154-6
43. ADJOURNMENT. S. Con. Res. 77, by Sen. Smith, relating to amendment of Legislative Reorganization Act of 1946, relative to meetings and adjournments of Congress; to Rules and Administration Committee.

BILLS APPROVED BY THE PRESIDENT

44. LANDS; WILDLIFE. H. R. 2725, to prohibit the use of aircraft or motor vehicles to hunt wild horses or burros on Federal lands. Approved September 8, 1959 (Public Law 86-234, 86th Congress).
45. CLAIMS. H. R. 6000, to amend title 28 of the U. S. Code so as to increase the limit for administrative settlement of claims against the U. S. under the tort claims procedure from \$1,000 to \$2,500. Approved September 8, 1959 (Public Law 86-238, 86th Congress).

ADDITIONAL FUNDS FOR THE SELECT COMMITTEE ON SMALL BUSINESS

The resolution (S. Res. 177) providing additional funds for the Select Committee on Small Business was considered and agreed to, as follows:

Resolved, That in discharging the duties imposed upon it by S. Res. 58, Eighty-first Congress, agreed to February 20, 1950, as amended, the Select Committee on Small Business is authorized to expend the sum of \$10,000 from the contingent fund of the Senate in addition to any other moneys available to the committee for such purpose. The authority contained in this resolution shall expire January 31, 1960.

PRINTING OF REPORT ENTITLED "FACILITY NEEDS—SOIL AND WATER CONSERVATION RESEARCH" AS SENATE DOCUMENT

The resolution (S. Res. 178) authorizing the printing of the report entitled "Facility Needs—Soil and Water Conservation Research" as a Senate document was considered and agreed to, as follows:

Resolved, That the report of the findings of the working group appointed by the Secretary of Agriculture, entitled "Facility Needs—Soil and Water Conservation Research," be printed as a Senate document.

CONVEYANCE OF CERTAIN LANDS TO THE CITY OF CHEYENNE, WYO.—BILL PASSED OVER

The bill (S. 857) to authorize the Administrator of General Services to convey certain lands in the State of Wyoming to the city of Cheyenne, Wyo., was announced as next in order.

Mr. KEATING. Mr. President, over, by request.

The PRESIDING OFFICER. The bill will be passed over, by request.

Mr. MORSE. Mr. President, I should like to make a request with regard to the objection to consideration of the bill. I should like to ask that the objection be withheld long enough for me to make a brief statement on the bill, so that it will be in the RECORD for future consideration.

The PRESIDING OFFICER. Does the Senator from New York withhold his objection?

Mr. KEATING. I am glad to withhold my objection, Mr. President.

Mr. MORSE. Mr. President, S. 857 would authorize the Administrator of the General Services Administration to convey certain veterans hospital lands in the city of Cheyenne to the State of Wyoming without consideration.

The land proposed to be conveyed was originally given to the Veterans' Administration by the city of Cheyenne without consideration in order that a veterans' hospital might be constructed on the site. The original conveyance consisted of a 600-acre tract.

In 1948, 431 acres was reconveyed to the city of Cheyenne without consideration because the additional acres were determined not to be necessary for hospital purposes.

In July 1955 the Veterans' Administration reported an additional 90.2 acres as excess property. Sixty and two-tenths acres of the surplus land were reconveyed to the city for airport purposes.

S. 857 covers the remaining 30 acres that had been declared excess property in 1955. Cheyenne city officials have stated that the 30 acres would be utilized for park and recreational facilities.

Mr. President. I have no objection to this bill because the Morse formula is inapplicable. This bill falls squarely within the principle of the Roseburg Veterans Hospital case which I discussed in the Senate last August in connection with the dispute over the Lillie Moore land transfer. My discussion of the Roseburg Veterans Hospital reconveyance appears in the RECORD, volume 104, part 12, on page 16214.

Inasmuch as the city conveyed the land in question to the Federal Government without consideration, it is only fair that the Federal Government should reconvey any lands that are no longer necessary for the purposes for which the original conveyance to the Government was made.

Mr. President. I hope the bill will eventually pass.

The PRESIDING OFFICER. Does the Senator from New York renew his objection?

Mr. KEATING. Mr. President, I ask that the bill go over, by request.

The PRESIDING OFFICER. The bill will be passed over, by request.

CONVEYANCE OF CERTAIN LAND TO THE CITY OF MOBILE, ALA.

The bill (S. 47) to direct the Administrator of General Services to convey to the city of Mobile, Ala., all the right, title, and interest of the United States in and to certain land was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ENGLE. Mr. President, I ask unanimous consent that the Senate proceed to consideration of Calendar No. 877, H.R. 2386, an identical bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 2386) to direct the Administrator of General Services to convey to the city of Mobile, Ala., all the right, title, and interest of the United States in and to certain land.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

Mr. MORSE. Mr. President, in 1939, the United States conveyed the custom-house property to the city of Mobile, Ala., for public purposes at 50 percent of appraised value.

The city of Mobile now desires to obtain the property free of any Federal reversionary interest.

S. 47 as originally introduced called for a gratuitous conveyance of the remaining interest of the United States.

However, as reported by the Senate Government Operations Committee, the bill directs the Administrator of the General Services Administration to convey to the city of Mobile, at the current fair market value, all the right, title and interest of the United States in this property.

The committee amendment eliminates any Morse formula problem. I have no objection to the passage of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H.R. 2386) was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Senate bill S. 74 will be indefinitely postponed.

USE OF CERTAIN REAL PROPERTY FOR GENERAL EDUCATIONAL PURPOSE, LOUISIANA UNIVERSITY

The joint resolution (S.J. Res. 121) to permit certain real property heretofore conveyed to the board of supervisors of Louisiana State University to be used for general educational purposes, was announced as next in order.

Mr. ENGLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 878, H.R. 6669, an identical bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 6669) to amend the act of July 14, 1945, to provide that the Louisiana State University may use certain real property heretofore conveyed to it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. In the interest of saving time, I ask unanimous consent that there be printed at this point in the RECORD a statement of mine with respect to this bill and an explanation of the fact that it does not violate the Morse formula.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE

The Louisiana Rural Rehabilitation Corporation was the owner of 3,113 acres which was subsequently transferred to the Secretary of Agriculture, as trustee, pursuant to an agreement of 1937 between the corporation and the United States. The agreement obligated the Secretary of Agriculture to administer the assets of the corporation "for rural rehabilitation purposes in the State of Louisiana."

Public Law 41 of the 82d Congress authorized the conveyance of the entire tract to Louisiana State University for general educational purposes. However, Public Law 41 provided that 25 acres should be transferred to the parish of Rapides for use in holding livestock and agricultural expositions.

Senate Joint Resolution 121 would authorize release of the 25-acre restriction so that the entire tract would be restored to the State university for educational purposes in accordance with the proposal contained in Public Law 41.

The resolution does not violate the Morse formula because it merely implements the trust arrangement for the benefit of the cestui of the trust.

THE PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the bill (H.R. 6669) was considered, ordered to a third reading, read the third time, and passed.

DONATION OF SURPLUS PROPERTY TO CERTAIN AGENCIES

The bill (S. 1018) to authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work, and for other purposes, was announced as next in order.

THE PRESIDING OFFICER. Is there objection to the present consideration of the bill?

MR. PROUTY. Mr. President, I wonder if we could have an explanation of the bill.

THE PRESIDING OFFICER. An explanation is called for. The Chair recognizes the Senator from Mississippi.

MR. STENNIS. Mr. President—

The PRESIDING OFFICER. Before the Senator from Mississippi proceeds, the Chair will again insist that the Senate be in order. We make much better progress in going through a lengthy calendar if we have order. The Senator will not proceed until we do have order.

The Senator from Mississippi may proceed.

MR. STENNIS. I thank the Presiding Officer.

Mr. President, the Senator from Alaska [Mr. GRUENING] presided at the hearings on this bill. He is detained somewhere. I would rather have him make the explanation.

However, the actual operation of the bill as presented by the committee is very limited and covers only a situation in which the Post Office Department has excess furniture, and similar supplies, and when it has already permitted the Extension Service located in that post office building to have the use of the surplus property.

In such a case the bill permits the Post Office Department to transfer the ownership and title of that property now in use and in the possession of the Extension Service to the Extension Service.

The only reason why legislation on the subject is necessary is that the Extension Service does not qualify as a Federal agency; otherwise, they could receive this property under present law.

The bill itself is limited to the narrow confines of furniture or utilities of that kind already being used in the post office building; in other words, it confirms the loan and the title.

A more far-reaching effect is coming into being in a ruling of the executive branch of the Government, qualifying the Extension Service as an agency being engaged in educational work, and thus making it eligible for certain limited amounts of furniture.

The committee unanimously reported the bill. The subcommittee also was unanimous in its report.

MR. PROUTY. Has the Senator any estimate of the cost involved?

MR. STENNIS. I do not know that there is available any particular estimate

of cost or value. Only secondhand property is involved. It is already out of use by the Post Office Department. It is located in the post office building and it is being used by the Extension Service. Technically, it cannot be transferred to the Extension Service. The bill would permit such a transfer.

MR. PROUTY. I thank the Senator for his explanation. I have no objection.

MR. MORSE. Will the Senator yield for a question?

MR. STENNIS. I am glad to yield.

MR. MORSE. In my opinion, this is a good bill. That opinion is based on an understanding which I wish the Senator to check. As I understand, the bill would have uniform application. It does not single out any particular town or any particular beneficiary, but is to be a uniform policy.

MR. STENNIS. Yes; it is nationwide in its application, but it applies only to transfers or loans of the property concerned which have already been made.

MR. MORSE. The uniform principle makes it a very sound piece of legislation. Next, I understand it is to apply to the future as well as to the past. Is that correct?

MR. STENNIS. The bill itself will have no application to the future. As I understand, under a new policy in the executive department, the Extension Service is made eligible for the transfer of such property to it in the future, as an educational institution or agency. That will dispense with the need for legislation on the subject in the future.

MR. MORSE. That is the point I wish to make.

MR. STENNIS. That policy is more far reaching than the bill.

MR. MORSE. I approve of the bill.

MR. STENNIS. I thank the Senator.

THE PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Government Operations with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding any provision of the Federal Property and Administrative Services Act of 1949, as amended, or any other law, the Postmaster General and the Administrator of General Services are hereby authorized and directed to transfer, as soon as practicable after date of enactment hereof, without cost, to any State or county agency engaged in cooperative agricultural extension work pursuant to the Act of May 8, 1914, as amended (7 U.S.C. 341-348), for the use of such agency, all right, title, and interest in and to any office equipment, materials, books, or other supplies (whether or not capitalized in a working capital fund established under section 405 of the National Security Act of 1947, as amended, or any similar fund) which have heretofore been assigned for use to any such State or county agency by the Post Office Department or the General Services Administration, respectively.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize and direct the trans-

fer of certain personal property to State and county agencies engaged in cooperative agricultural extension work."

ISSUANCE OF GOLD MEDAL IN HONOR OF THE LATE PROFESSOR ROBERT H. GODDARD

The joint resolution (H.J. Res. 19) to authorize the issuance of a gold medal in honor of the late Professor Robert H. Goddard was announced as next in order.

THE PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

MR. ROBERTSON. Mr. President, the Senate Banking and Currency Committee was unanimous in reporting House Joint Resolution 19, to authorize the Congress to present an appropriate gold medal to the family of the late Dr. Robert H. Goddard. For this purpose the Secretary of the Treasury is authorized and directed to strike the medal. The selection of suitable emblems and inscriptions for the medal, and the presentation to Dr. Goddard's family, would be made by the chairmen of the House Committee on Science and Astronautics and the Senate Committee on Aeronautical and Space Sciences, in behalf of the Congress.

Duplicate medals in bronze would be coined and sold by the Secretary of the Treasury.

Mr. President, it is entirely fitting that we should thus honor the memory of this American genius. His pioneering work in the development of rockets laid the basic groundwork for all of today's missiles and satellites.

It should be a great inspiration to all Americans—and especially our young boys and girls—that this dedicated man, working virtually alone and unnoticed, through sheer determination and devotion to his country, built the foundation for developments which are having, and will have a profound effect on the history of the world.

Mr. President, I ask unanimous consent to have placed in the RECORD at this point a biography of Dr. Goddard and a summary of his achievements.

There being no objection, the biography and summary were ordered to be printed in the RECORD, as follows:

BIOGRAPHY OF ROBERT HUTCHINGS GODDARD

Physicist; born in Worcester, Mass., October 5, 1882. Education: bachelor of science degree, Worcester Polytechnic Institute, 1908; master of arts degree, Clark University, 1910, doctor of philosophy degree, 1911, doctor of science degree, 1945. Married Esther Christine Kisk, June 21, 1924. Instructor, Worcester Polytechnic Institute, 1909-11; Princeton University, 1912-13; instructor and fellow in physics, 1914-15; assistant professor, 1915-19, professor, 1919-43, Clark University, also director of the physical laboratories. Leave of absence, 1930-32 and 1934-42, engaged in rocket research, under Daniel and Florence Guggenheim Foundation grants; director of research, Bureau of Aeronautics, Navy Department, 1942-45; consulting engineer, Curtiss-Wright Corp., 1943-45. Served as director of research, U.S. Signal Corps, Worcester Polytechnic Institute, and Mount

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 11, 1959

Referred to the Committee on Government Operations

AN ACT

To authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, notwithstanding any provision of the Federal Property
4 and Administrative Services Act of 1949, as amended, or any
5 other law, the Postmaster General and the Administrator of
6 General Services are hereby authorized and directed to trans-
7 fer, as soon as practicable after date of enactment hereof,
8 without cost, to any State or county agency engaged in co-
9 operative agricultural extension work pursuant to the Act
10 of May 8, 1914, as amended (7 U.S.C. 341-348), for the

1 use of such agency, all right, title, and interest in and to any
2 office equipment, materials, books, or other supplies (whether
3 or not capitalized in a working capital fund established
4 under section 405 of the National Security Act of 1947, as
5 amended, or any similar fund) which have heretofore been
6 assigned for use to any such State or county agency by the
7 Post Office Department or the General Services Administra-
8 tion, respectively.

Passed the Senate September 9 (legislative day, Septem-
ber 5), 1959.

Attest:

FELTON M. JOHNSTON,

Secretary.

86TH CONGRESS
1st Session

S. 1018

AN ACT

To authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

SEPTEMBER 11, 1959

Referred to the Committee on Government Operations

86TH CONGRESS
2D SESSION

H. R. 9600

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 1960

Mr. SIKES introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, notwithstanding any provision of the Federal Property
4 and Administrative Services Act of 1949, as amended, or any
5 other law, the Postmaster General and the Administrator
6 of General Services are hereby authorized and directed to
7 transfer, as soon as practicable after date of enactment hereof,
8 without cost, to any State or county agency engaged in co-
9 operative agricultural extension work pursuant to the Act
10 of May 8, 1914, as amended (7 U.S.C. 341-348), for the

1 use of such agency, all right, title, and interest in and to
2 any office equipment, materials, books, or other supplies
3 (whether or not capitalized in a working capital fund estab-
4 lished under section 405 of the National Security Act of
5 1947, as amended, or any similar fund) which have hereto-
6 fore been assigned for use to any such State or county agency
7 by the Post Office Department or the General Services Ad-
8 ministration, respectively.

A BILL

To authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

By Mr. SIKES

JANUARY 13, 1960

Referred to the Committee on Government Operations

June 2, 1960

HOUSE

16. FORESTRY. Passed with amendments H. R. 10572, to authorize and direct that the national forests be managed under principles of multiple use and to produce a sustained yield of products and services (pp. 10856-79). Earlier a Rules Committee resolution for the consideration of this bill was agreed to (pp. 10853-5).
Agreed to the following amendments:
By Rep. Hoffman, Mich., setting out the States rights in jurisdiction over fish and wildlife on national forests (pp. 10875-6).
By Rep. Cooley exempting mineral resources and lands not within national forests from provisions of the bill (pp. 10876-7).
By Rep. Cooley making the establishment and maintenance of wilderness areas consistent with the provisions of the act (p. 10877).
By Rep. Cooley defining the terms "multiple use" and "sustained yield of the several products and services" (pp. 10877-9).
17. FARM LOANS. Passed with amendments H. R. 11761, to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to Farmers Home Administration loans to farmers and ranchers (pp. 10879-91). Earlier a Rules Committee resolution for the consideration of this bill was agreed to (pp. 10855-6). Agreed to an amendment by Rep. Cooley defining, for the purposes of the bill, the term "farm" (p. 10890), and an amendment by Rep. Cooley limiting to 6% per annum the maximum interest rate that can be charged on insured loans (p. 10890).
18. FARM LABOR. The Rules Committee reported a resolution for the consideration of H. R. 12176, to extend the Mexican farm labor program until June 30, 1963. pp. 10907, 10930
19. INDUSTRIAL USES. Conferees were appointed on S. 690, the industrial uses research bill to create an Agricultural Research and Development Commission. Senate conferees have already been appointed. p. 10907
20. SMALL BUSINESS. The Banking and Currency Committee reported with amendment H. R. 11207, to amend the Small Business Act so as to authorize additional loans to small businesses (H. Rept. 1738). p. 10929
21. DEFENSE PRODUCTION. The Banking and Currency Committee reported without amendment H. R. 12052, to extend the Defense Production Act of 1950, as amended, for an additional two years (H. Rept. 1739). p. 10930
22. PERSONNEL. The Education and Labor Committee reported without amendment H. R. 12383, to amend the Federal Employees' Compensation Act to make benefits more realistic in terms of present wage rates (H. Rept. 1743). p. 10930
23. FOREIGN AFFAIRS. The Banking and Currency Committee voted to report (but did not actually report) H. R. 11001, to provide for the participation of the U. S. in the International Development Association. p. D494
24. PROPERTY; EXTENSION WORK. The Donable Property Subcommittee of the Government Operations Committee voted to report to the full committee the following bills: (p. D495)
H. R. 9600, to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work;

H. R. 11394, to amend the Federal Property and Administrative Services Act of 1949 so as to permit donations of surplus property to certain educational institutions.

H. R. 11437, to amend the Federal Property and Administrative Services Act of 1949 so as to permit the donation of foreign excess property to medical institutions, hospitals, clinics, health centers, schools, colleges, and universities.

H. R. 11499, to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies.

25. HEALTH; CHEMICAL ADDITIVES. The Interstate and Foreign Commerce Committee voted to report (but did not actually report) the following bills: (p. D495)

H. R. 6871, to provide for the extension of traineeship under the Public Health Training Act.

H. R. 7624, to amend the Federal Food, Drug, and Cosmetic Act so as to authorize the use of suitable color additives in or on foods, drugs, and cosmetics in accordance with regulations prescribing the conditions (including maximum tolerances) under which such additives may be safely used.

S. 1283, to regulate the interstate distribution and sale of packages of hazardous substances intended or suitable for household use.

26. WATERSHEDS. The Watershed Development Subcommittee of the Public Works Committee approved watershed projects in Upper Verdigris watershed, Kan., Reelfoot Indian Creek watershed, Tenn. and Ky., and Olmitos and Garcias Creeks watershed, Tex. pp. D495-6

27. INFORMATION; LIBRARIES. The Rules Committee denied granting a rule on H. R. 12125, to amend the Library Services Act in order to extend for 5 years the authorization for appropriations. p. D496

28. LANDS; MINERALS. The Rules Committee denied granting a rule on H. R. 8860, to stabilize the mining of domestic producers of lead and zinc on public, Indian, and other lands. p. D496

ITEMS IN APPENDIX

29. PERSONNEL. Extension of remarks of Rep. Halpern expressing his support of legislation to increase salaries of Federal employees. p. A4687

30. FAS. Extension of remarks of Rep. Natcher congratulating the Foreign Agricultural Service and stating that "the Department of Agriculture is to be commended upon the outstanding work being carried on" by this Service. p. A4689

31. FARM PRODUCTS. Sen. Fulbright commended and inserted an article, "Farm Product Processing: Some New Directions." pp. A4694-6

32. FARM LABOR. Rep. Rogers discussed a visit to Florida by the Senate Subcommittee on Migratory Labor which included field trips to farms and workers' camps, and inserted several articles in support of legislation to improve migratory worker housing. pp. A4709-10

33. FARM PROGRAM. Rep. Kyl inserted a constituent's letter which states that "we need a farm program to give the farmer cost of production plus a reasonable profit, whatever it is -- whether it be subsidy, crop controls, two-price system, or what have you." p. A4713

Digest of CONGRESSIONAL PROCEEDINGS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE
(For Department
Staff Only)

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For actions of June 15, 1960
86th-2d, No. 109

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HIGHLIGHTS: Both Houses agreed to conference report on agricultural appropriation bill. House subcommittee voted to report adversely bill to continue poultry inspection exemptions. Senate committee voted to report bills to extend minimum national quota for extra long staple cotton, and to accelerate reforestation programs. Senate committee reported bill to increase milk and butterfat price supports. House committee voted to report housing bill. Senate committee voted to report general Government matters and independent offices appropriations bills. House passed pay raise bill. Senate committee reported pay raise bill.

HOUSE

1. AGRICULTURAL APPROPRIATION BILL, 1961. Both Houses agreed to the conference report on this bill, H. R. 12117, and acted on amendments in disagreement (pp. 11753-5, 11821-4). This bill will now be sent to the President.

With regard to Senate amendment No. 4, both Houses agreed to a substitute amendment to provide that no funds shall be used to formulate or administer a brucellosis eradication program for the fiscal year 1963 (rather than fiscal year 1962 as proposed in the Senate amendment) that does not require minimum matching by any State of at least 40 percent.

With regard to Senate amendment No. 6, both Houses agreed to a substitute amendment to provide \$2,550,000, to remain available until expended, for ARS for construction of facilities and acquisition of the necessary land therefor by donation or exchange. The Senate amendment would have provided \$3,700,000 for this purpose.

2. PERSONNEL; PAY. By a vote of 378 to 40, passed with amendment H. R. 9883, the Federal employees pay raise bill (pp. 11789-821). Rejected, 324 to 94, a motion by Rep. Rees to recommit the bill to the Post Office and Civil Service Committee with instruction to report it back with a provision for a 5 percent increase for employees (p. 11820). Agreed to an amendment by Rep. Morrison, in the nature of a substitute for the bill as reported by the committee, which provides for a 7-1/2 percent pay increase (rather than a 9 percent increase), and increases the salaries of general counsels of executive departments (except Justice) from \$19,000 to \$20,000 per annum (pp. 11816-20). The bill also provides for increases in the pay of ASC county committee employees which would be equal, so far as practicable, to the increases provided for corresponding rates of pay applicable to other classes of employees, and extends to the ASC county committee employees coverage of the civil service retirement, Federal employees' group life insurance, and Federal employees' health benefits programs.

Passed without amendment H. R. 12620, to provide for the defense of suits against Federal employees arising out of their operation of motor vehicles in the scope of their employment (pp. 11824). Rep. Lane stated that the bill was similar to H. R. 7577, vetoed by the President, except that it had been modified to meet the President's objections contained in his veto message.

The Government Operations Committee reported with amendment H. R. 12273, to amend the Administrative Expenses Act so as to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the U. S. (H. Rept. 1879). p. 11843

3. PROPERTY. The Government Operations Committee reported without amendment H. R. 9600, to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work (H. Rept. 1876). p. 11843

The Government Operations Committee reported without amendment H. R. 11499, to amend the Federal Property and Administrative Services Act so as to authorize the use of surplus personal property by State distribution agencies (H. Rept. 1878). p. 11843

4. CONTRACTS. The Government Operations Committee reported without amendment H. R. 12604, to amend the "antikickback statute" so as to extend its provisions to all negotiated contracts (H. Rept. 1880). p. 11843

5. POULTRY. INSPECTION. The Dairy and Poultry Subcommittee of the Agriculture Committee voted to report adversely to the full committee H. R. 11050, to amend the Poultry Products Inspection Act so as to continue the authority to exempt certain poultry inspection plants beyond June 30, 1960. p. D556

6. HOUSING. The Banking and Currency Committee voted to report with amendment (but did not actually report) H. R. 12603, to extend and amend laws relating to the preservation and improvement of housing. p. D556

7. TRANSPORTATION. The Interstate and Foreign Commerce Committee voted to report (but did not actually report) the following bills: p. D557

S. 1509, with amendment, to amend the Interstate Commerce Act so as to provide for "grandfather" rights (preference rights for certain carriers operating in the past) for certain motor carriers and freight forwarders in Alaska;

S. 1508, to provide for the economic regulation of the Alaska Railroad under the Interstate Commerce Act;

H. R. 7937, to amend the Interstate Commerce Act so as to insure the adequacy of the National railroad freight car supply.

AUTHORIZING THE DONATION OF SURPLUS PERSONAL PROPERTY
TO CERTAIN AGENCIES ENGAGED IN COOPERATIVE AGRICUL-
TURAL EXTENSION WORK, AND FOR OTHER PURPOSES

JUNE 15, 1960.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. DAWSON, from the Committee on Government Operations,
submitted the following

R E P O R T

[To accompany H.R. 9600]

The Committee on Government Operations, to whom was referred the bill (H.R. 9600) by Mr. Sikes, to authorize the donation of surplus personal property to certain agencies engaged in cooperative agricultural extension work, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

This bill is identical to H.R. 11439 (Mr. Winstead) and S. 1018 (Mr. Stennis) which passed the Senate September 9, 1959. The purpose of the proposed legislation is to transfer to various State and county agencies engaged in cooperative agricultural extension work the title to certain federally owned personal property presently on loan to such agencies. This is a one-time transfer and is not a continuing program.

GENERAL STATEMENT

The need for this legislation was brought about by a change in policy under which office furnishings and supplies are no longer to be furnished to agencies occupying space in Government-owned buildings.

Under the new policy, existing office furnishings and materials have been transferred to the occupant agencies. However, the cooperative agricultural extension offices have not been considered as eligible transferees for such assigned property.

While the extension offices are components of State agricultural colleges and thus eligible to receive donations of Federal surplus property, the property here involved is technically neither excess nor surplus.

2 DONATE SURPLUS PERSONAL PROPERTY TO CERTAIN AGENCIES

Hence, special legislation is deemed necessary to simplify the matter and avoid special and costly administrative arrangements needed to continue the assignment of the property for use by the extension offices.

The General Services Administration advises that a spot check of its region 4, covering the States of Alabama, Florida, Georgia, North Carolina, South Carolina, Mississippi, and Tennessee reveals that there are 14 offices to which furniture was transferred. There was none in region 3, involving Maryland, Virginia, West Virginia, and the District of Columbia. The overall estimate is that there are about 100 offices involved in the United States.

The average cost of the furniture per office was about \$1,000 per office. The items included desks, chairs, tables, filing cabinets, bookcases, costumers, and wastepaper baskets. The age of the furniture is from 5 to 8 years.

AGENCY REPORTS

There is no opposition to the bill. The agencies directly interested favor its enactment. The agency reports follow:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., March 17, 1960.

Hon. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives, Washington, D.C.*

MY DEAR MR. CHAIRMAN: This is in reply to your request for a report on H.R. 9600, a bill to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

This bill, identical with S. 1018 which passed the Senate on September 9, 1959, provides for the transfer, without cost, to State and county agencies engaged in cooperative agricultural extension work, of the office equipment, materials, books, or other supplies which had heretofore been assigned for use of such agencies by the Post Office Department and the General Services Administration.

The need for this legislation was brought about by a change in policy, effective this fiscal year, under which office equipment and supplies would no longer be furnished agencies occupying space in Government-owned buildings. Implementation of the new policy has been by transfer of the office equipment and other materials to the occupant agency to which the property had been assigned. However, under existing law the cooperative agricultural extension offices are not eligible transferees for such assigned property. Although the extension offices are components of State agricultural colleges and thus are eligible to receive donations of Federal surplus personal property, the property in use is in neither surplus nor excess categories. Furthermore, insurmountable administrative obstacles prevent the assurance that extension offices would receive such property if transferred under the surplus property donation program. Consequently, unless specific legislation is passed to authorize direct transfer of the property, it will be necessary to make special administrative arrangements to continue the assignment of the property for use of the extension offices. Otherwise, the extension offices will have to

return the property for other Government use. Since the property in question was acquired by the Government for the purpose to which it has been placed and because any special administrative arrangements would be cumbersome and expensive, legislative authority for direct transfer would provide the solution most advantageous to the Government.

For the above reasons, the Bureau of the Budget would favor enactment of the provisions of H.R. 9600.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, March 21, 1960.

Hon. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives.*

DEAR CONGRESSMAN DAWSON: This is in reply to your request of January 18, 1960, for the views of this Department on H.R. 9600, a bill to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

This Department recommends the passage of this bill.

The bill authorizes the Post Office Department and the General Services Administration to transfer, without cost, to State and county agencies engaged in cooperative agricultural extension work, certain federally owned personal property which had heretofore been assigned for use to such State or county agencies by these Federal agencies.

The Post Office Department and the General Services Administration have recently adopted a policy of divesting themselves of title to and responsibility for all property in buildings they operate which is not required for their own activities. This is being accomplished by either transferring such property to using activities or otherwise disposing of it as excess. Under present law, Federal excess property cannot be transferred directly to local extension activities.

The Federal property presently on loan to these State and county extension offices is of limited potential value and use to the Federal Government but is being utilized by the local extension offices to good effect. Its continued use by these activities would be of substantial assistance to the Federal-State cooperative extension program. However, it would be administratively cumbersome for the Federal Extension Service to endeavor to maintain central accountability and control over this property and the cost of so doing would be disproportionately high in relation to its actual value.

Accordingly, it would be most practical to transfer title to this property directly to the local using extension agencies as proposed in the bill.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Acting Secretary.*

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., March 18, 1960.

Hon. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: Your letter of January 18 requests the views of the General Services Administration on H.R. 9600, a bill to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

This bill would authorize the transfer by the Postmaster General and the Administrator of General Services of all right, title, and interest in and to any office equipment, materials, books, or other supplies which have heretofore been assigned for use to any State or county agency engaged in cooperative agricultural extension work pursuant to the act of May 8, 1914, as amended (7 U.S.C. 341-348), to such agencies without cost.

General Services Administration interposes no objection to the enactment of this legislation. The GSA-owned property which will be affected by this legislation was acquired to supply office equipment to authorized agencies occupying space in Government-owned, GSA-controlled buildings outside the District of Columbia and areas adjacent thereto. GSA discontinued this service at the end of fiscal year 1959.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

FRANKLIN FLOETE, *Administrator.*

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
April 27, 1960.

Hon. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This letter is in response to your request of March 24, 1960, for a report on S. 1018 (as passed by the Senate) and H.R. 9600, bills to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

S. 1018, as originally introduced, would have established a special program for the donation of Federal surplus personal property to State and county agencies engaged in cooperative agricultural extension work, side by side with and independent of the donation program for health and education administered by this Department, and would have conferred upon the Secretary of Agriculture the same allocation function as is vested in this Department for the purposes of section 203(j)(3) of the Federal Property and Administrative Services Act of 1949, as amended. (S. 1018, as originally introduced, was identical with H.R. 4661 and H.R. 4753, on which we commented adversely as part of our report of July 16, 1959, on H.R. 105 and other bills.)

In our comments on the original Senate bill (and on H.R. 4661 and H.R. 4753), we pointed out that colleges and universities engaged in cooperative agricultural extension work were already eligible to

receive donations of surplus property under section 203(j)(3) of the act. And, as pointed out by the Senate Committee on Government Operations in reporting out S. 1018 with an amendment in the nature of a substitute, "the State and county extension services, with which the problem sought to be alleviated by S. 1018 originates, are, by law, components of the State agricultural colleges. As such, they are eligible to receive donations of Federal surplus property through the colleges [under the program administered by this Department] in the same manner as any other departments or activities of colleges" (S. Rept 826, p. 2). Hence, the original bill's proposed amendment to the Federal Property and Administrative Services Act was deleted.

Another part of the Senate bill, though imperfectly drawn, had the further objective of authorizing a transfer of title, from the Postmaster General and Administrator of General Services Administration, to certain office equipment which is on loan to certain of the agricultural extension service offices. It was concluded that legislation would be required to effect a transfer of title to that property, since it was not, technically, "excess property" and hence could not be declared surplus. The part of the bill specifically designed to accomplish this transfer was therefore retained in the bill with perfecting changes.

Since the objectionable amendment of the donation provisions of the Federal Property and Administrative Services Act has been eliminated, we have no objection to the enactment of S. 1018 in its present form but defer in that respect to the views of the agencies concerned with the transfer of the specific property involved. This position also applies to H.R. 9600, which is identical with S. 1018 in its present form.

The Bureau of the Budget advises that it perceives no objection to the submission of this report to your committee.

Sincerely yours,

EDWARD FOSS WILSON, *Acting Secretary.*

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF CIVIL AND DEFENSE MOBILIZATION,
OFFICE OF THE DIRECTOR,
Washington, D.C., April 28, 1960.

Hon. WILLIAM L. DAWSON,
Chairman, Committee on Government Operations,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for a report on H.R. 9600, a bill to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work, and S. 1018, a bill to authorize the donation of surplus property to certain agencies engaged in cooperative agricultural extension work, and for other purposes.

This legislation would appear to have no effect upon the civil defense program, and the Office of Civil and Defense Mobilization has no objection to H.R. 9600 and S. 1018.

The Bureau of the Budget advises that it has no objection to the submission of this report.

Sincerely,

LEO A. HOEGH.

6 DONATE SURPLUS PERSONAL PROPERTY TO CERTAIN AGENCIES

OFFICE OF THE POSTMASTER GENERAL,
Washington, D.C., March 17, 1960.

Hon. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: Reference is made to the request for a report on H.R. 9600, a bill to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

Notwithstanding the provisions of the Federal Property and Administrative Services Act of 1949, as amended, or any other law, this measure would authorize and direct the Postmaster General and the Administrator of General Services Administration to transfer, without cost, to any State or county agency engaged in cooperative agricultural extension work pursuant to the present law (7 U.S.C. 341-348) "all right, title, and interest in and to any office equipment, materials, books, or other supplies" which have heretofore been assigned for use to any such State or county agency by the Post Office Department or the General Services Administration.

This bill is essentially the same as section 2(a) of H.R. 4661 and H.R. 4753, similar identical bills on which this Department reported to your committee on July 14, 1959.

This bill would have no material effect on the operation of the postal service.

In view of the foregoing, this Department has no comments or recommendations to offer with respect to the legislation.

The Bureau of the Budget has advised that there is no objection to the submission of this report to the Committee.

Sincerely yours,

J. MCKIBBIN, Jr.,
Acting Postmaster General.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, February 4, 1960.

Hon. WILLIAM L. DAWSON,
*Chairman, Committee on Government Operations,
House of Representatives.*

DEAR MR. CHAIRMAN: Your letter dated January 18, 1960, acknowledged January 19, requests our comments on H.R. 9600. This bill is identical to S. 1018 as it passed the Senate September 9, 1959, and is presently before your committee for consideration.

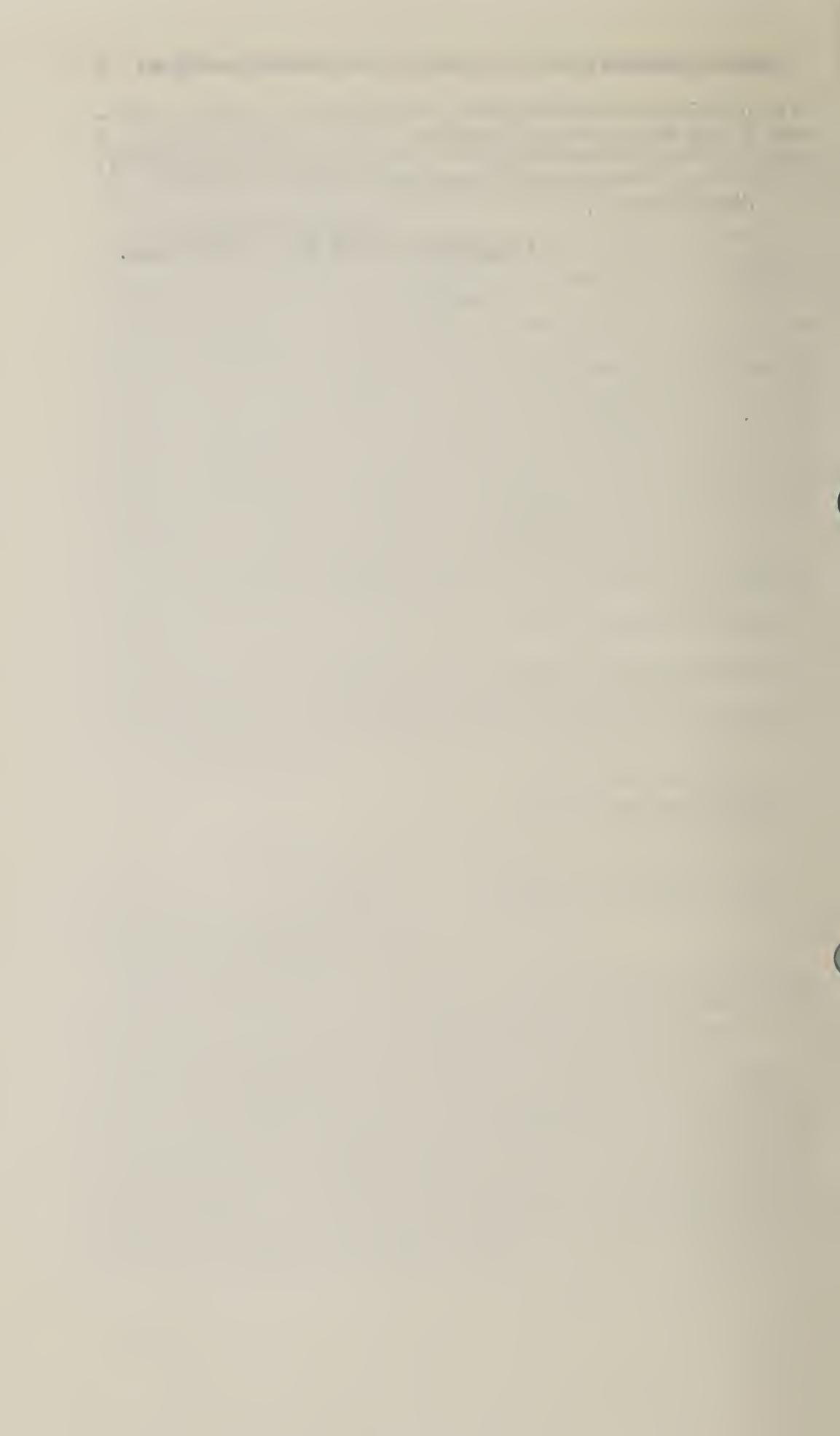
H.R. 9600 would direct the Postmaster General and the Administrator of General Services to transfer, without cost, to any State or county agency engaged in cooperative agricultural extension work title to any office equipment, materials, books, or other supplies which have heretofore been assigned for use to any such State or county agency by the Post Office Department or the General Services Administration. The bill would apply only to property heretofore placed in the custody of the State or county agencies engaged in cooperative agricultural extension work.

The question as to whether title to such property should be transferred to the State or county agencies without reimbursement is a matter of policy for determination by the Congress. Consequently, we make no recommendation concerning the merits of the bill.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.





Q

Union Calendar No. 824

86TH CONGRESS
2D SESSION

H. R. 9600

[Report No. 1876]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 1960

Mr. SIKES introduced the following bill; which was referred to the Committee on Government Operations

JUNE 15, 1960

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

A BILL

To authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, notwithstanding any provision of the Federal Property
4 and Administrative Services Act of 1949, as amended, or any
5 other law, the Postmaster General and the Administrator
6 of General Services are hereby authorized and directed to
7 transfer, as soon as practicable after date of enactment hereof,
8 without cost, to any State or county agency engaged in co-
9 operative agricultural extension work pursuant to the Act
10 of May 8, 1914, as amended (7 U.S.C. 341-348), for the

1 use of such agency, all right, title, and interest in and to
2 any office equipment, materials, books, or other supplies
3 (whether or not capitalized in a working capital fund estab-
4 lished under section 405 of the National Security Act of
5 1947, as amended, or any similar fund) which have hereto-
6 fore been assigned for use to any such State or county agency
7 by the Post Office Department or the General Services Ad-
8 ministration, respectively.

86TH CONGRESS
2D SESSION
H. R. 9600

[Report No. 1876]

A BILL

To authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

By Mr. SIKES

JANUARY 13, 1960

Referred to the Committee on Government Operations

JUNE 15, 1960

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF
BUDGET AND FINANCE

(For Department
Staff Only)

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HIGHLIGHTS: House Rules Committee cleared bill to extend Mexican farm labor program. House passed over agricultural attaché assignment bill. Sen. Douglas criticized Administration's depressed areas bill. Several Senators urged reduction in Cuban sugar quotas. Senate passed measure to accelerate reforestation programs. Senate committee reported bill to increase per diem travel allowance. House passed bill on use of color additives in food.

HOUSE - June 24

1. **FARM LABOR.** The Rules Committee reported a resolution for consideration of H. R. 12759, to extend the Mexican farm labor program for 2 years, until June 30, 1963 (p. 13266). The report of the Agriculture Committee states that a 2-year extension of the program "will permit consideration in the next Congress in an unhurried manner and without the pressure of having to legislate against the deadline of an expiring act any changes in the law which the Department of Agriculture and the Department of Labor may propose. At hearings held on this subject during this session of Congress, these Departments indicated that they were studying this subject and intended to submit to Congress certain proposals for amending the law, but that they were not in a position to make these proposals at this session of Congress."

2. AGRICULTURAL ATTACHES; PERSONNEL. Passed over without prejudice, at the request of Rep. Gross, H. R. 8074, to permit the assignment of agricultural attaches to positions in the U. S. for a maximum of four years without reduction in grade. p. 13185
3. ACREAGE ALLOTMENTS. Passed without amendment H. R. 12420, to provide a uniform law for the remeasurement of farm acreage allotments when such remeasurement is requested by a farm operator, and to provide uniform conditions under which the operator pays for such remeasurement. p. 13206
4. ANIMAL IMPORTS. Passed as reported H. R. 10598, to amend and clarify certain provisions of the Criminal Code so as to reduce the hazards arising from the importation of injurious wild animals, to curtail traffic in such species, and to define types of wild animals and methods of transportation to which the code applies. p. 13196
5. MARKETING; HAZARDOUS SUBSTANCES. Passed with amendments S. 1283, to regulate the interstate distribution and sale of packages of hazardous substances intended c suitable for household use. pp. 13198-202
6. PROPERTY. Passed without amendment S. 1018, to direct the Postmaster General and the Administrator of GSA to transfer certain personal property to State and county agencies engaged in cooperative agricultural extension work. A similar bill, H. R. 9600, was tabled. (p. 13202) This bill will now be sent to the President.
- Passed without amendment H. R. 11499 to amend the Federal Property and Admin-
istrative Services Act so as to authorize the use of surplus personal property
by State distribution agencies. p. 13202
7. PERSONNEL. Passed without amendment S. 3485, to amend section 7 of the Adminis-
trative Expenses Act of 1946 so as to provide for the payment of travel and
transportation cost for persons selected for appointment to positions in the
U. S. for which the Civil Service Commission determines there is a manpower
shortage. A similar bill, H. R. 12273, was tabled. (pp. 13202-3). This bill
will now be sent to the President.
- Passed as reported H. R. 7810, to credit periods of internment during World
War II to certain Federal employees of Japanese ancestry for purposes of retire-
ment and leave. p. 13204
- The Post Office and Civil Service Committee reported without amendment H. R.
12336, to amend the Classification Act of 1949 so as to preserve the basic com-
pensation of employees in certain downgrading actions (H. Rept. 1979). p. 13266
- The Post Office and Civil Service Committee reported with amendment H. R. 543,
to amend the Classification Act of 1949 so as to provide a formula for guarantee-
ing a minimum increase in salary when an employee is promoted from one grade to
another (H. Rept. 1981). p. 13266
- Rep. Hoffman criticized "Mr. Doherty who represents Federal employees" for
reports that he "threatens to bring his pressure group to fill the gallery and
our offices in Washington to intimidate us ... to override a veto of the pay bill
should the President veto it." pp. 13251-2
8. SUGAR. The "Daily Digest" states that the Agriculture committee met "on proposed
sugar legislation but made no announcements." p. D611
9. CONTRACTS. Passed with amendment S. 3487, to amend the Anti-Kickback Act so as to
extend it to all negotiated Government contracts. The act now only applies to

substance to which such request relates: *Provided*, That evidence obtained under this section shall not be used in a criminal prosecution of the person from whom obtained: *Provided further*, That carriers shall not be subject to the other provisions of this Act by reason of their receipt, carriage, holding, or delivery of hazardous substances in the usual course of business as carriers.

PUBLICITY

SEC. 13. (a) The Secretary may cause to be published from time to time reports summarizing any judgments, decrees, or court orders which have been rendered under this Act, including the nature of the charge and the disposition thereof.

(b) The Secretary may also cause to be disseminated information regarding hazardous substances in situations involving, in the opinion of the Secretary, imminent danger to health. Nothing in this section shall be construed to prohibit the Secretary from collecting, reporting, and illustrating the results of the investigations of the Department.

IMPORTS

SEC. 14. (a) The Secretary of the Treasury shall deliver to the Secretary of Health, Education, and Welfare, upon his request, samples of hazardous substances which are being imported or offered for import into the United States, giving notice thereof to the owner or consignee, who may appear before the Secretary of Health, Education, and Welfare and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that such hazardous substance is in misbranded packages or in violation of section 4(f), then such hazardous substance shall be refused admission, except as provided in subsection (b) of this section. The Secretary of the Treasury shall cause the destruction of any such hazardous substance refused admission unless such hazardous substance is exported, under regulations prescribed by the Secretary of the Treasury, within ninety days of the date of notice of such refusal or within such additional time as may be permitted pursuant to such regulations.

(b) Pending decision as to the admission of a hazardous substance being imported or offered for import, the Secretary of the Treasury may authorize delivery of such hazardous substance to the owner or consignee upon the execution by him of a good and sufficient bond providing for the payment of such liquidated damages in the event of default as may be required pursuant to regulations of the Secretary of the Treasury. If it appears to the Secretary of Health, Education, and Welfare that the hazardous substance can, by relabeling or other action, be brought into compliance with this Act, final determination as to admission of such hazardous substance may be deferred and, upon filing of timely written application by the owner or consignee and the execution by him of a bond as provided in the preceding provisions of this subsection, the Secretary may, in accordance with regulations, authorize the applicant to perform such relabeling or other action specified in such authorization (including destruction or export of rejected hazardous substances or portions thereof, as may be specified in the Secretary's authorization). All such relabeling or other action pursuant to such authorization shall, in accordance with regulations, be under the supervision of an officer or employee of the Department of Health, Education, and Welfare designated by the Secretary, or an officer or employee of the Department of the Treasury designated by the Secretary of the Treasury.

(c) All expenses (including travel, per diem, or subsistence, and salaries of officers or employees of the United States) in connection with the destruction provided for in subsection (a) of this section and the supervision of the relabeling or other action authorized under the provisions of subsection

(b) of this section, the amount of such expenses to be determined in accordance with regulations, and all expenses in connection with the storage, cartage, or labor with respect to any hazardous substance refused admission under subsection (a) of this section, shall be paid by the owner or consignee and, in default of such payment, shall constitute a lien against any future importations made by such owner or consignee.

SEPARABILITY CLAUSE

SEC. 15. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality of the remainder of the Act and the applicability thereof to other persons and circumstances shall not be affected thereby.

TIME OF TAKING EFFECT

SEC. 16. This Act shall take effect upon the date of its enactment; but no penalty or condemnation shall be enforced for any violation of this Act which occurs—

(a) prior to the expiration of the sixth calendar month after the month in which this Act is enacted, or

(b) prior to the expiration of such additional period or periods, ending not more than eighteen months after the month of enactment of this Act, as the Secretary may prescribe on the basis of a finding that conditions exist which necessitate the prescribing of such additional period or periods: *Provided*, That the Secretary may limit the application of such additional period or periods to violations related to specified provisions of this Act, or to specified kinds of hazardous substances or packages thereof.

APPLICATION TO EXISTING LAW

SEC. 17. Nothing in this Act shall be construed to modify or affect the provisions of chapter 39, title 18, United States Code, as amended (18 U.S.C. 831 et seq.), or any regulations promulgated thereunder, or under sections 204(a)(2) and 204(a)(3) of the Interstate Commerce Act, as amended (relating to the transportation of dangerous substances and explosives by surface carriers); or of section 1716, title 18, United States Code, or any regulations promulgated thereunder (relating to mailing of dangerous substances); or of section 902 or regulations promulgated under section 601 of the Federal Aviation Act of 1958 (relating to transportation of dangerous substances and explosives in aircraft); or of the Federal Food, Drug, and Cosmetic Act; or of the Public Health Service Act; or of the Federal Insecticide, Fungicide, and Rodenticide Act; or of the Dangerous Drug Act for the District of Columbia (70 Stat. 612), or the Act entitled "An Act to regulate the practice of pharmacy and the sale of poisons in the District of Columbia, and for other purposes", approved May 7, 1906 (34 Stat. 175), as amended; or of any other Act of Congress, except as specified in section 18.

REPEAL OF FEDERAL CAUSTIC POISON ACT

SEC. 18. The Federal Caustic Poison Act (44 Stat. 1406) is repealed effective at the close of the sixth calendar month after the month of enactment of this Act: *Provided*, That if the Secretary, pursuant to section 16(b) of this Act, prescribes an additional period or periods during which violations of this Act shall not be enforceable and if such additional period or periods are applicable to violations of this Act involving one or more substances defined as "dangerous caustic or corrosive substances" by the Federal Caustic Poison Act, that Act shall, with respect to such substance or substances, remain in full force and effect during such additional period or periods: *Provided further*, That, with respect to violations, liabilities incurred or appeals taken prior to the close of said sixth month or, if applicable, prior to the expiration of the additional period or periods referred to in the preceding

proviso, all provisions of the Federal Caustic Poison Act shall be deemed to remain in full force for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violations, liabilities, and appeals.

With the following committee amendments:

(1) On page 3, line 14, strike out "bulk".
(2) On page 5, line 24, strike out the comma following "solids".

(3) On page 6, line 11, strike out "appearing" and insert in lieu thereof "appear".

(4) On page 11, strike out lines 21 and 22 and insert in lieu thereof the following:

"(g) The manufacture of a misbranded package of a hazardous substance within the District of Columbia or within any territory not organized with a legislative body."

(5) On page 12, line 13, strike out "offense" and insert in lieu thereof "offenses".

(6) On page 13, line 13, immediately after "country", insert the following: ", but if such hazardous substance is sold or offered for sale in domestic commerce, this clause shall not apply".

(7) On page 15, line 24, strike out "Territory" and insert in lieu thereof "territory".

(8) On page 24, line 9, immediately after "provisions" insert the following: "of the Flammable Fabrics Act, as amended (15 U.S.C. 1191-1200), or any regulations promulgated thereunder; or".

(9) On page 25, line 9, after "Act" insert the following: ", except that the Federal Caustic Poison Act shall remain in full force and effect with respect to any 'dangerous caustic or corrosive substance' (as defined by that Act) which is an article subject to the Federal Food, Drug, and Cosmetic Act and which is, by virtue of paragraph 2 of section 2(f) of this Act, excluded from the term 'hazardous substance' as defined in this Act".

(10) On page 25, line 23, strike out "remains" and insert in lieu thereof "remain".

The committee amendments were agreed to.

Mr. ROBERTS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBERTS: On page 8, line 25, strike out "third" and insert in lieu thereof "fourth".

The amendment was agreed to.

Mr. ROBERTS. Mr. Speaker, S. 1283 will regulate the interstate distribution and sale of packages of hazardous substances which are intended or suitable for household use.

In this country each year some 200,000 accidental poisonings occur, resulting in some 5,000 deaths and, of course, a great deal of suffering and economic losses. Many of these poisonings are of youngsters whose parents were unaware of the dangers in harmless-looking household products. One of the witnesses who appeared before the Subcommittee on Health and Safety in support of this legislation told about a certain household product which had poisoned numerous youngsters. She described it this way:

A most delicious looking furniture polish. It is strawberry colored, and it looks about the same shape as a bottle of strawberry pop.

There was no large type or easily seen warning on the bottle to indicate to parents that it should be kept out of the reach of children because its contents were poisonous.

The reason for this chiefly, I think, is that our labeling laws for hazardous sub-

stances have not been overhauled in nearly a quarter of a century. The Federal Caustic Poison Act was enacted in 1927 and has saved many lives by requiring informative labeling of a few poisonous chemicals which were primarily responsible for home poisonings at the time of enactment. But it is not applicable today to many other poisons which are commonly found in American homes.

Many new products have been developed for use in the household since 1927. In that earlier act, only 12 chemical substances were listed as dangerous caustic or corrosive substances. It is estimated that 15,000 to 20,000 common household products which may be poisonous today would be covered by this new bill.

It should be stated, in fairness, that a good number of those products which are hazardous are labeled voluntarily by manufacturers or packagers. But there should be on the statute books labeling legislation which will embrace all hazardous household articles presently on the market and to be marketed in the future.

S. 1283 should provide a uniform precautionary labeling program which will adequately advise the consumer of the hazards in the use of the product as well as make available immediate information for physicians who are called upon to treat cases of accidental injury. It should also provide a pattern which the States may follow in enacting similar legislation. In the absence of an adequate Federal law, there is the possibility that diverse labeling regulations will be adopted by the States, leading to a multiplicity of requirements and creating unnecessary confusion in labeling, to the detriment of the public.

Mr. Speaker, hearings on my bill on this subject, H.R. 5260, the companion to S. 1283, were held by the subcommittee on March 14, 1960. All the witnesses appearing favored this legislation in principle and most of them recommended the adoption of the Senate-approved bill. The bill S. 1283, with amendments, was reported by the Committee on Interstate and Foreign Commerce on June 14, 1960.

The amendment at page 8, line 25, is a technical amendment, which makes no change in the intended policy of the bill. It is made necessary by a recent amendment to the law.

On Saturday, June 18, 1960, the other body passed, and cleared for the President, H.R. 7847, which amended section 409(g)(2) of the Federal Food, Drug, and Cosmetic Act by adding a new sentence to that section.

The bill (S. 1283) currently under consideration cross refers to the third sentence of such section 409(g)(2). The enactment of H.R. 7847 will render this cross reference incorrect; therefore this amendment —correcting the cross reference—is necessary.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECREATION AND PUBLIC FACILITIES DEVELOPMENT IN RESERVOIR AREAS

The Clerk called the bill (H.R. 12539) to implement section 4 of the Act approved December 22, 1944 (Public Law No. 534, 78th Cong.), as amended.

THE SPEAKER. Is there objection to the present consideration of the bill?

MR. FORD. At the request of another Member, I ask unanimous consent that this bill may be passed over without prejudice.

THE SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TRANSFER OF CERTAIN PERSONAL PROPERTY TO STATE AND COUNTY AGENCIES

The Clerk called the bill (H.R. 9600) to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

THE SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

MR. SIKES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1018) to authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

The Clerk read the title of the Senate bill.

THE SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any provision of the Federal Property and Administrative Services Act of 1949, as amended, or any other law, the Postmaster General and the Administrator of General Services are hereby authorized and directed to transfer, as soon as practicable after date of enactment hereof, without cost, to any State or county agency engaged in cooperative agricultural extension work pursuant to the Act of May 8, 1914, as amended (7 U.S.C. 341-348), for the use of such agency, all right, title, and interest in and to any office equipment, materials, books, or other supplies (whether or not capitalized in a working capital fund established under section 405 of the National Security Act of 1947, as amended, or any similar fund) which have heretofore been assigned for use to any such State or county agency by the Post Office Department or the General Services Administration, respectively.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H.R. 9600) was laid on the table.

A motion to reconsider was laid on the table.

AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

The Clerk called the bill (H.R. 11499) to amend the Federal Property and Ad-

ministrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 203(n) of the Federal Property and Administrative Services Act of 1949, as amended, is hereby amended by adding at the end thereof the following: "In addition, under such cooperative agreements, and subject to such other conditions as may be imposed by the Secretary of Health, Education, and Welfare, or the Director, Office of Civil and Defense Mobilization, surplus property which the Administrator may approve for donation for use in any State for purposes of education, public health, or civil defense, or for research for any such purposes, pursuant to subsection (j)(3) or (j)(4), may with the approval of the Administrator be made available to the State agency after a determination by the Secretary or the Director that such property is necessary to, or would facilitate, the effective operation of the State agency in performing its functions in connection with such program. Upon a determination by the Secretary or the Director that such action is necessary to, or would facilitate, the effective use of such surplus property made available under the terms of a cooperative agreement, title thereto may with the approval of the Administrator be vested in the State agency."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRAVEL COST FOR PERSONS SELECTED FOR APPOINTMENT TO GOVERNMENT POSITIONS

The Clerk called the bill (H.R. 12273) to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the United States, and for other purposes.

THE SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

MR. FASCELL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3485) to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the United States, and for other purposes.

The Clerk read the title of the bill.

THE SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (b) to (d), inclusive, of section 7 of the Administrative Expenses Act of 1946 (60 Stat. 808, as amended, 5 U.S.C. 73b-3) are amended to read as follows:

"(b) Appropriations for the departments shall be available in accordance with regu-

Public Law 86-570
86th Congress, S. 1018
July 5, 1960

AN ACT

74 STAT. 307.

To authorize and direct the transfer of certain personal property to State and county agencies engaged in cooperative agricultural extension work.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any provision of the Federal Property and Administrative Services Act of 1949, as amended, or any other law, the Postmaster General and the Administrator of General Services are hereby authorized and directed to transfer, as soon as practicable after date of enactment hereof, without cost, to any State or county agency engaged in cooperative agricultural extension work pursuant to the Act of May 8, 1914, as amended (7 U.S.C. 341-348), for the use of such agency, all right, title, and interest in and to any office equipment, materials, books, or other supplies (whether or not capitalized in a working capital fund established under section 405 of the National Security Act of 1947, as amended, or any similar fund) which have heretofore been assigned for use to any such State or county agency by the Post Office Department or the General Services Administration, respectively.

Agricultural extension agencies. Transfer of personal property. 41 USC 201 note. 67 Stat. 83. 63 Stat. 585. 5 USC 172d.

Approved July 5, 1960.

